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ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED

50th Annual Report

1966

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Annual Report
1966

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED

Incorporated in the Republic of South Africa

HEAD OFFICE

44 Main Street, Johannesburg
(principal Group offices in other
countries are detailed on page 4)

Notice to members

Notice is hereby given that the fiftieth annual general meeting of members of Anglo American Corporation of South Africa Limited will be held at 44 Main Street, Johannesburg, on Friday, 16th June, 1967, at 11 a.m., for the following business:

- 1 To receive and consider the balance sheet and accounts and the reports of the directors and of the auditors for the year ended 31st December, 1966.
- 2 To elect directors in place of those retiring in accordance with the provisions of the Corporation's articles of association.
- 3 To fix the remuneration of the auditors for the past audit.

The head office and London transfer registers and the registers of members of the Corporation will be closed from 10th June to 16th June, 1967, both days inclusive.

Holders of share warrants to bearer who are desirous of attending in person or by proxy or of voting at any general meeting of the Corporation must comply with the regulations of the Corporation under which share warrants to bearer are issued.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and speak and vote in his stead. A proxy need not be a member of the Corporation.

By order of the board
J. T. GOLDFINCH
Secretary

24th May, 1967

Registered Office
44 Main Street
Johannesburg

DIRECTORATE

CHAIRMAN

H. F. Oppenheimer

DEPUTY CHAIARMEN

Sir Keith Acutt, K.B.E. (British)
R. B. Hagart

DIRECTORS

D. O. Beckingham
E. T. S. Brown
P. H. A. Brownrigg, C.M.G., D.S.O., O.B.E. (British)
Sir Frederick Crawford, G.C.M.G., O.B.E. (British)
P. V. Emrys-Evans (British)
C. W. Engelhard (American)
G. C. Fletcher, M.C.
H. C. Koch
H. MacConachie
P. J. Oppenheimer (British)
S. D. H. Pollen, M.B.E., T.D. (British)
G. W. H. Relly
Sir Albert Robinson (British)
M. W. Rush
J. W. Shilling
The Honourable H. A. V. Smith (British)
S. Spiro, M.C.
W. D. Wilson

ALTERNATE DIRECTORS

P. H. Anderson
O. B. Bennett, C.B.E. (British)
F. S. Berning
H. M. Forrest (British)
H. R. Fraser (British)
C. J. L. Griffith
W. J. Hefer
M. B. Hofmeyr
B. T. A. Hone (British)
N. K. Kinkead-Weekes (British)
E. S. Newson, O.B.E. (British)
D. G. Nicholson (British)
B. W. Pain (British)
H. H. Taylor (British)
J. Ogilvie Thompson
G. H. Waddell (British)
A. Wilson

ADMINISTRATION

EXECUTIVE COMMITTEE OF DIRECTORS

H. F. Oppenheimer
Sir Keith Acutt
D. O. Beckingham
B. T. S. Brown
P. H. A. Brownrigg
C. W. Engelhard
G. C. Fletcher
R. B. Hagart
G. W. H. Relly
M. W. Rush
S. Spiro
W. D. Wilson

MANAGERS

F. S. Berning
C. Carrington
H. K. Davies
Dr H. B. Dyer
H. R. Fraser
C. J. L. Griffith
W. J. Hefer
D. B. Hoffe
M. B. Hofmeyr
B. T. A. Hone
N. K. Kinkead-Weekes
H. C. Koch
D. G. Nicholson
B. W. Pain
J. W. Shilling
H. H. Taylor
J. Ogilvie Thompson
A. Wilson

SECRETARY

J. T. Goldfinch

TREASURER

A. W. Mollatt

GROUP TAX ADVISER

J. C. Thoms

MEDICAL CONSULTANT

Dr L. R. B. Birt

PERSONNEL CONSULTANTS

E. N. Cathrine
D. A. Etheredge

TECHNICAL DIRECTOR

H. MacConachie

CONSULTING ENGINEERS

A. I. Beck
R. Daniel
H. M. Forrest
W. S. Gallagher
G. S. Giles
S. A. Hancox
G. H. Henderson
D. E. MacIver
J. B. Mudd
R. A. Mudd
H. Smith

CONSULTING DEVELOPMENT ENGINEER

E. T. Pinkney

CONSULTING GEOLOGISTS

Dr D. M. McKinnon
Dr L. G. Murray
Dr H. J. Nel
Dr A. E. Waters
Dr H. C. M. Whiteside

CONSULTING MECHANICAL AND ELECTRICAL ENGINEERS

D. M. Bentley
S. Dwolatsky
A. H. Gyngell
C. P. A. Louwrens
W. Martin
C. S. West
G. H. R. Wingate
W. Wise

CONSULTING METALLURGICAL AND CHEMICAL ENGINEER

Dr M. G. M. Atmore

CONSULTING METALLURGISTS

R. J. Adamson
V. C. Ward

PRINCIPAL OFFICES

Head Office

44 Main Street, Johannesburg

Australia

Anglo American Corporation (Australia) Limited
National Mutual Centre,
447 Collins Street, Melbourne
Manager in Melbourne : H. H. Taylor
Secretary : D. W. Moss

North America

Anglo American Corporation of South Africa
(North America) Limited
280 Park Avenue, New York, N.Y. 10017
Executive Director in North America : M. W. Rush
Secretary : J. F. McCarthy
Anglo American Corporation of Canada Limited
25 King Street West, Toronto 1
Secretary : T. P. Sullivan

Rhodesia

70 Jameson Avenue Central, Salisbury, C.4
Director in Rhodesia : Sir Frederick Crawford
Managing Secretary for Rhodesia : I. M. Cowan

United Kingdom

40 Holborn Viaduct, London, E.C.1
Executive Director in London : W. D. Wilson
London Secretary : R. V. Pritchard

Zambia

Anglo American Corporation
(Central Africa) Limited
Permanent House, Cairo Road, Lusaka
Executive Director in Zambia : G. W. H. Relly
Managing Secretary : O. T. Phillips

Anglo American Corporation, which is now in its fiftieth year, has grown from a comparatively small mining house, initially concerned with the development of gold mines on the East Rand, into a large international group. While its chief interests are still in mining in Southern Africa, the scope of its activities has been broadened in recent years, both geographically and industrially.

The term 'group' has a wider implication in the South African mining industry than its statutory meaning of a parent company and its subsidiaries. The mining finance houses in South Africa have over a long period developed what is called the 'group system', by which the parent house provides a complete range of administrative, technical and other services to the companies within the group. Thus the Anglo American Corporation Group comprises a large number of investment, mining and industrial companies which the Corporation administers, but in which its direct and indirect shareholdings, though substantial, are generally less than 50 per cent. In addition the Corporation is closely associated with De Beers Consolidated Mines and with Charter Consolidated, and provides technical services to these groups.

The Corporation's investments are held mainly through a number of investment companies with special fields of interest: Orange Free State Investment Trust and West Rand Investment Trust for the gold mining companies in those areas; Anglo American Investment Trust for the diamond mining and marketing companies; Anglo American Industrial Corporation, which was formed to consolidate the majority of the industrial holdings of the Group; and, on a geographical basis, Zambian Anglo American, Anglo American Corporation Rhodesia and Anglo American Corporation of Canada. Coal interests are held chiefly through African and European Investment Company and Vereeniging Estates, while Rand Selection Corporation, with which the Corporation has been closely associated since its formation, holds a diversified spread of investments similar to those of Anglo American Corporation itself.

The philosophy underlying the Corporation's activities has remained basically unchanged throughout its existence. There have been only two chairmen, Sir Ernest Oppenheimer, who was Chairman from the formation of the Corporation until his death forty years later in 1957, and his son, Mr H. F. Oppenheimer. From the start it was the policy that the Corporation should contribute constructively to the development of Southern Africa. In the first 10 years of its existence, it extended its interests into diamonds in South West Africa and South Africa, and into copper, lead and zinc in Northern Rhodesia. As early as 1920 in his Chairman's speech Sir Ernest said that Anglo American

Corporation should be, and was, ready and anxious to play its part in the industrial development of South Africa. In another statement he defined the aim of the Corporation as being to make profits for its shareholders but to do it in such a way as to make a real contribution to the welfare of the countries where it operates. This remains our policy.

Our roots are firmly planted in South Africa where we began; our chief interests have from the earliest days been in Southern and Central Africa, and are still growing there, both in mining and in a wide range of industries. But as communications reduce the size of the world, we are applying our resources—financial and technical—beyond Southern and Central Africa in the fields of mining and industry in which we have built up experience over many years. Through our association with Charter Consolidated we are now interested in mining and prospecting in many parts of the world, and in a number of industrial activities, chiefly in the United Kingdom. Through Anglo American Corporation of Canada we are interested in the Hudson Bay Mining and Smelting Company, a leading Canadian producer of copper and zinc, which has also diversified into oil and industry, in McIntyre Porcupine Mines, and in other Canadian enterprises. Through our association with the Banque de Paris et des Pays-Bas we have acquired an interest in a number of important French industrial companies.

We are now involved directly or indirectly in geological exploration in four continents. Southern and Central Africa continues to be the main area of our prospecting activity, but at the same time we and the companies with which we are associated are engaged in widespread prospecting elsewhere in Africa, in North America, Australia and the Far East.

The Corporation's original capital in 1917 was £1 million (R2 million), which became fully paid in 1919; the present capital and reserves exceed R200 million. The value of the Corporation's investments at the end of 1966 was R490 million.

The valuation of the mining and industrial companies administered by the Corporation is over R1,250 million. In 1966 group mines were responsible for 39 per cent of South Africa's gold production, equivalent to approximately 29 per cent of world production (excluding communist countries), 56 per cent of Zambia's copper, equivalent to about 7 per cent of world production, and 34 per cent of South Africa's coal.

The ownership of the Corporation is widely spread, with shareholders in every continent. More than half the share capital is held in South Africa, with the United Kingdom and other countries in Europe accounting for 40 per cent.



PROFIT AND DIVIDEND

Consolidated profits of Anglo American Corporation, after tax, rose by R1,595,000, or 5.4 per cent, to R30,822,000 in 1966. The total dividend paid on the Corporation's ordinary share capital was unchanged at 130 cents a share.

The investment income of the Corporation increased by R1,150,000, or 4.5 per cent, to R26,567,000, and the value of its investments grew by R70,211,000, or 16.7 per cent, to R490,104,000. Details are given in the table opposite.

GOLD

Production by Group mines rose by 5.6 per cent to a record 12.14 million ounces, which represented 39 per cent of South African production and about 29 per cent of world production (excluding communist countries). Costs increased appreciably and the aggregate working profit rose by only two per cent to R152 million.

Western Deep Levels Limited paid a maiden dividend on its 'B' shares during the year, having completed the payment of 100 cents on its 'A' shares. The company's working profit increased by 35 per cent to R19 million.

The Government has approved the proposal for mining an area south of the Vaal River by Vaal Reefs Exploration and Mining Company Limited. The new mine, Vaal Reefs South, is expected to start production early in 1973; the planned milling rate is 150,000 tons a month.

URANIUM

Following the revival in demand for uranium, the Vaal Reefs uranium plant is to be restored to its full capacity of 100,000 tons a month this year. Recovery of uranium from the ore to be mined by Vaal Reefs South is now considered to be justified by the improved world prices.

DIAMONDS

Sales of gem and industrial diamonds through the Central Selling Organization increased by R59 million to a record R355.7 million. Sales have virtually doubled in the last six years.

Installing the collar for the Main Shaft at the new Vaal Reefs South gold mine

VALUE OF INVESTMENTS *	INCOME FROM INVESTMENTS
Total: R490,104,000	Total: R26,567,000
Percentage	Percentage
Gold..... 38	38
Diamonds..... 24	20
Platinum..... 1	1
Copper..... 6	16
Coal..... 5	6
Other mining..... 3	4
Industrial..... 19	11
Finance..... 4	4
100	100

* Includes unquoted investments at book value

De Beers Consolidated Mines Limited and the General Electric Company of New York reached agreement over the production and marketing of synthetic diamond grit, and production at the factory of Ultra High Pressure Units Limited near Johannesburg will now be increased.

The Finsch mine was in full production by the end of the year and is expected to produce about two million carats in 1967.

COPPER

Strikes, and a shortage of fuel during the last quarter of the year, reduced the production of Group mines from 396,122 long tons to 325,155 long tons, which was 56 per cent of Zambian output. Copper production has recently been restored to about 90 per cent of capacity.

An expansion of Group production which could amount to 100,000 tons of copper a year is planned, partly from the new open pits at Mimbula-Fitula, near Nchanga, which will start production early in 1968, but mainly from the use of Torco units to treat refractory ores. The Torco process will also be used to treat the oxide orebody at the Akjoujt copper mine in Mauritania to be established by Charter Consolidated Limited.

Following the increase of £160 to £496 a ton in the Chilean producer price on 25th April, the copper companies of the Group decided to abandon their producer price, then at £336 a ton, and sell on the basis of the three

months' quotation for wirebars on the London Metal Exchange.

COAL

Group collieries in South Africa produced 17.7 million tons, equivalent to 34 per cent of South African coal sales during 1966, and aggregate profits from coal and coke totalled R8.9 million.

OTHER MINING

Hudson Bay Mining and Smelting Company Limited recently acquired a 60 per cent interest in Francana Oil and Gas Limited, which has significant oil and gas assets in Canada and which is to develop the Sylvite of Canada Limited potash property in Saskatchewan with Tombill Mines Limited.

The Group acquired an 85 per cent interest in Trojan Nickel Mine (Private) Limited, which exploits a nickel deposit north of Salisbury, Rhodesia. The investment in the mine, which is to increase its output of ore from 70,000 tons to 600,000 tons a year, is expected to exceed R8 million.

Swaziland Iron Ore Development Company Limited is to deliver one million tons of fines to Japanese steel mills, in addition to its ten-year contract to supply 14.5 million tons of ore, and is negotiating the sale of a further 4.1 million tons of fines. The company sold 1.5 million tons of ore in 1966 and declared its maiden dividend.

INDUSTRY

The largest of the Group's extensive forward commitments in industrial projects is the R117 million Highveld steel and vanadium complex near Witbank. Construction of plant foundations and buildings is well advanced and production is expected to start in 1968. The new Mapoch's mine will come into regular production towards the end of this year to supply Highveld initially with about one million tons of titaniferous magnetite ore a year.

Anglo American Industrial Corporation Limited (AMIC) raised R13.6 million by an issue of deferred shares to fund its borrowings and assist in financing its expanding capital commitments.

The R1.8 million cashew nut processing plant of Industrias de Caju Mocita Limitada in Mozambique

began operations for the production of high-quality cashew nut kernels and an industrial liquid, CNSL.

The Group recently acquired substantial minority interests in the United Transport group, which is planning a considerable expansion of its freight haulage and passenger services in Southern Africa.

PROPERTY

The excavation of the six-acre site in Johannesburg for the Carlton Centre redevelopment scheme, which the Corporation and The South African Breweries Limited are jointly promoting, should be completed early in 1968. Construction of the whole complex is expected to start at the end of the year.

The Group and Tongaat Sugar Company Limited purchased 720 acres of land at Amanzimtoti, near Durban, for the development of an industrial township, 'Prospecton'. Development work began in December and the first zone of about fifty acres has already been sold.

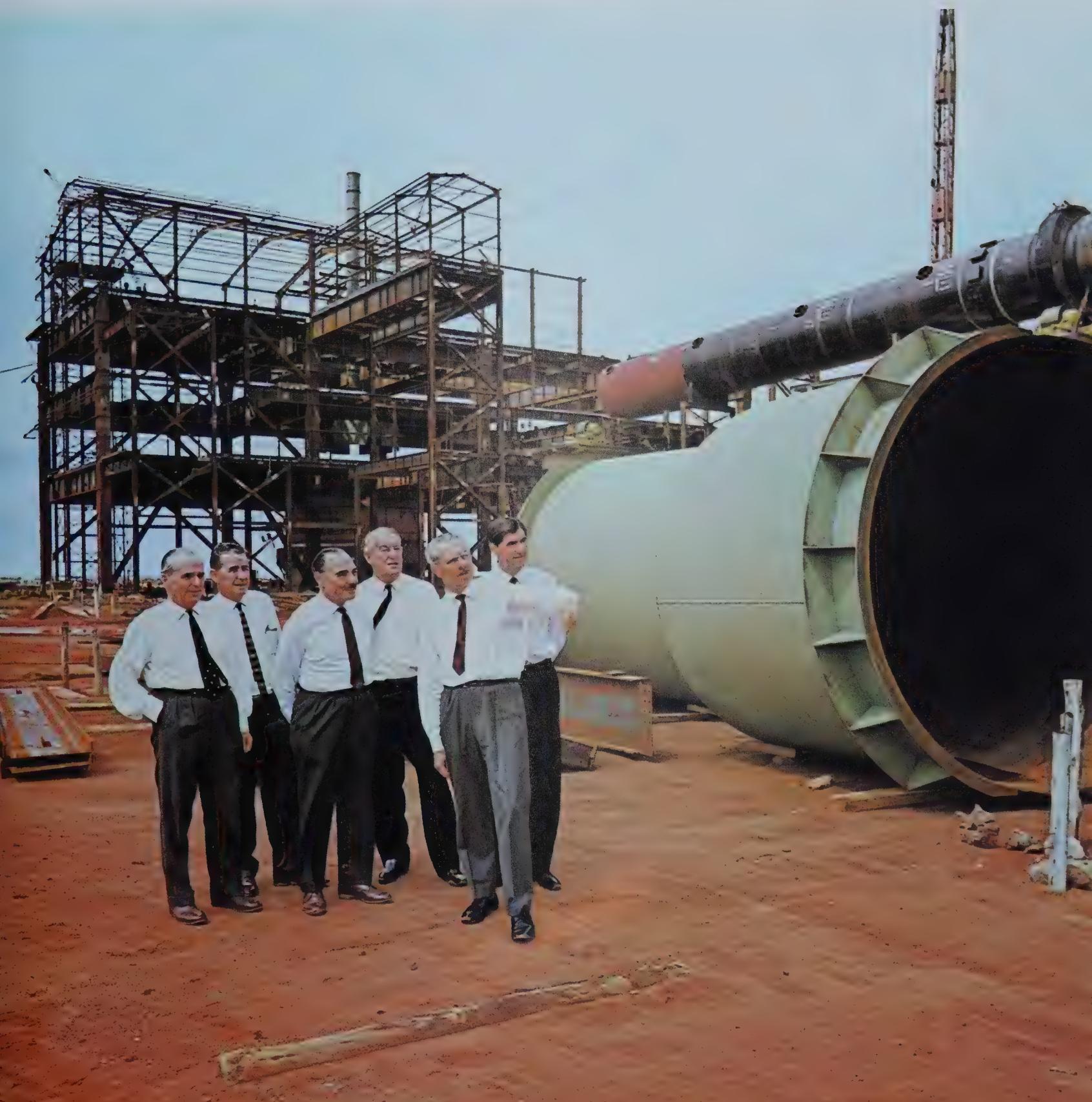
The Group has a substantial interest in the R4.15 million headquarters building for the Schlesinger Organization in Braamfontein, Johannesburg, which is due to be completed towards the end of the year.

INVESTMENT COMPANIES

Anglo American Corporation of Canada Limited (AMCAN) was formed to consolidate the Canadian interests of the Anglo American Corporation, Charter Consolidated and De Beers groups. AMCAN's investments are mainly in a number of Canadian mining and exploration companies, and it also has a significant holding of South African mining shares.

Visiting Highveld Steel and Vanadium Corporation's complex near Witbank are, from left to right: Mr. D. O. Beckingham, Mr. I. F. Cairns (general manager of Highveld), Mr. H. F. Oppenheimer, Mr. E. T. S. Brown, Mr. R. Stewart (site manager), and Mr. W. G. Bousted (managing director of Highveld); in the background is the iron plant

Report of the directors



Comments on the accounts

Investment income increases by R1,150,000

The consolidated balance sheet and profit and loss account of the Corporation appear on pages 36 to 38 of this report.

CAPITAL The Corporation's authorized capital remains unchanged at R20,000,000, particulars of which are set out on the balance sheet. During 1966 the holders of 8,479 five per cent debenture bonds of 1,000 Swiss francs (R163.265) each, exercised their right to subscribe for 59,353 fully paid ordinary shares of R1 each at a price of R21.50 per share, in the ratio of seven shares for each bond. Holders of 1,939 bonds exercised the right to convert their bonds into 13,573 ordinary shares at the same price. Accordingly, at 31st December, 1966, the ordinary capital of the Corporation had increased by 12,026 shares to a total of 12,808,230 shares of R1 each, fully paid.

Up to the date of this report, a further 10,892 bonds have been issued at a price of R22.00 per share to holders who have exercised their rights, making a total of 13,700 ordinary shares now in issue.

DEBENTURE REGISTERED BONDS (SWISS) Particulars of the subscription/conversion rights attaching to the bonds are set out in note four of 'Notes on the Accounts' on page 42. Of the final bond issue in 1962 of 50,000,000 Swiss francs (R8,000) in 50,000 bonds of 1,000 Swiss francs (R163.265), the amount of 47,272,000 Swiss francs (R7,718,000) was outstanding at the year-end, a total of 2,728 bonds having been converted into ordinary shares. Since 1962, the alternative subscription right has been exercised in respect of 20,974 bonds. Accordingly at 31st December, 1966, there was a maximum of 184,086 ordinary shares under option to cover the subscription/conversion rights on the remaining 26,298 bonds. The further exercise of rights up to the date of this report by the holders of 1,556 bonds has reduced the number of ordinary shares under option to 173,194. The rights will expire at the end of this year. Bonds then outstanding are redeemable at par in four annual instalments on 15th July in each of the years 1971 to 1974.

PROFITS AND APPROPRIATIONS The consolidated net profit for the year was R30,822,000 after providing R2,165,000 for taxation and deducting R210,000 attributable to minority interests in subsidiary companies. This compares with a profit of R29,227,000 for 1965. The increase of R1,595,000 includes a non-recurring surplus of R1,000,000 on the sale of a fixed property lease. Net income from interest, fees and other sources

increased by R1,641,000 to R15,676,000. As interest paid fell by R250,000 to R6,055,000 the total improvement from these sources was R1,891,000. Income from investments rose by R1,150,000 to R26,567,000. The charge of R909,000 for amounts written off investments less surplus on realization of investments compares with a surplus of R1,013,000 last year and represents a decrease of R1,922,000 from this source. The profit for the year was dealt with as follows:

Profit for the year	..	..	..	R30,822,000
<i>Dividends on preferred stock:</i>				
No. 74 of three per cent, declared	..	..	..
9th June, 1966	..	..	..	R143,000
<i>Dividends on ordinary shares:</i>				
Interim No. 60 of 50 cents per share, declared 22nd September, 1966 (1965: 50 cents)	..	..	..	6,393,000
Final No. 61 of 80 cents per share, declared 23rd March, 1967 (1965: 80 cents)	..	..	..	10,255,000
				16,934,000
Transferred to general reserve	..	..	..	<u>13,500,000</u>
				30,434,000
				388,000
Unappropriated profit brought forward from previous year	..	..	..	2,259,000
Unappropriated profit 31st December, 1966				<u>R2,647,000</u>

FINANCIAL STATISTICS for the ten years 1957 to 1966 appear on page 44.

Finance and investment

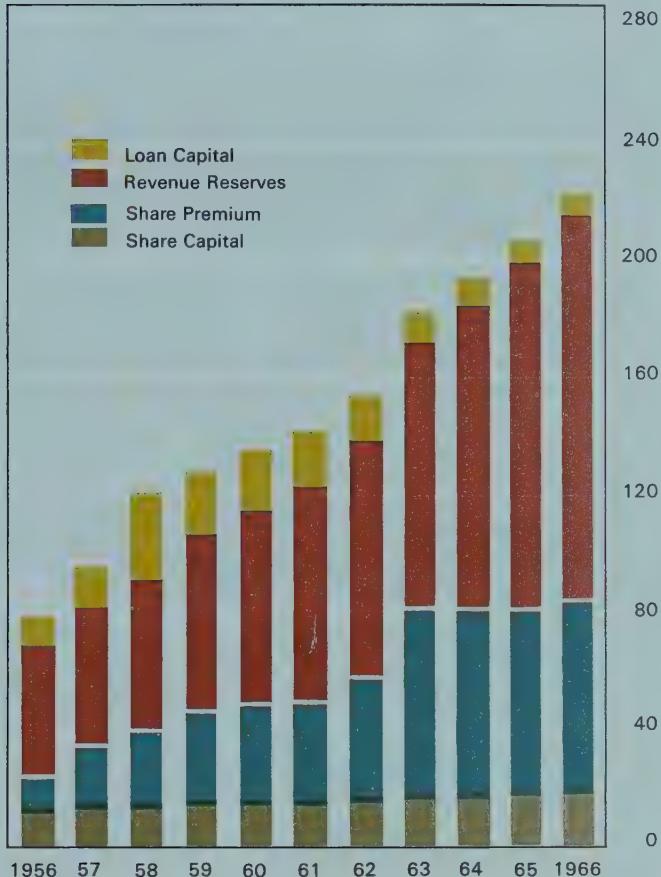
Canadian interests consolidated in Amcan

The estimated value of the investments of the Corporation and its associated finance and investment companies, excluding overlapping interests, amounted to nearly R1,200 million at the end of 1966. Of this total R550 million represented investments in the mining and industrial companies for which the Group provides administrative and technical services; the balance of well over R600 million represented interests in De Beers Consolidated Mines Limited, Charter Consolidated Limited and Anglo American Corporation of Canada Limited, with which the Group is closely associated, and in the other finance and investment and operating companies outside the Group.

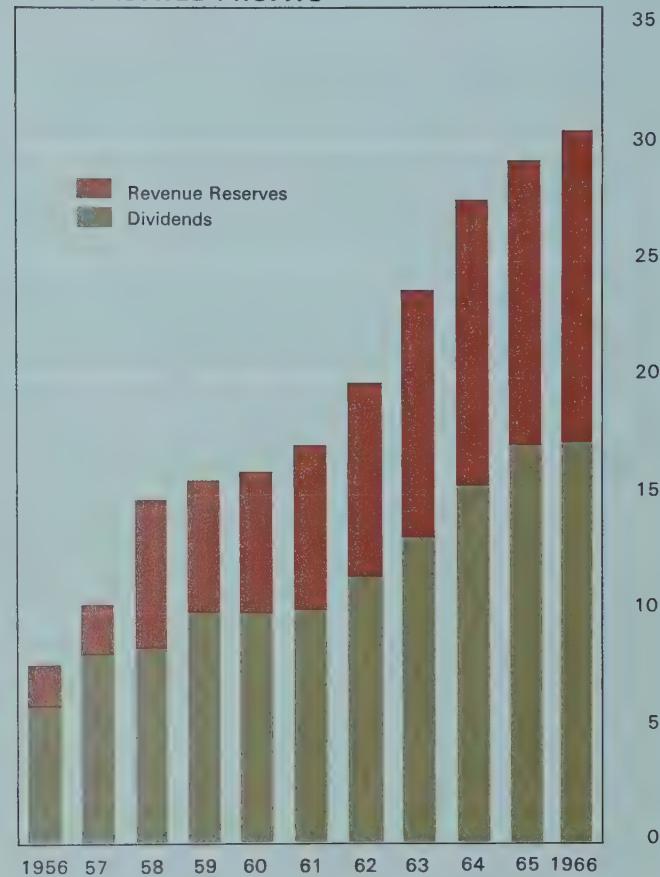
An important development during 1966 was the formation of Anglo American Corporation of Canada Limited (AMCAN) to consolidate the Canadian interests of the Anglo American

CAPITAL FUNDS EMPLOYED

MILLION RAND

**APPROPRIATION OF CONSOLIDATED PROFITS**

MILLION RAND



Corporation, Charter Consolidated and De Beers groups. AMCAN's principal assets are holdings in Hudson Bay Mining and Smelting Company Limited and McIntyre Porcupine Mines Limited. In addition, it has interests in Baffinland Iron Mines Limited and other Canadian mining and exploration companies, and in South African mining companies. The value of the company's assets was about \$80 million (Canadian) at the end of 1966.

The Corporation has an important interest in AMCAN flowing from its holding of Hudson Bay shares which were exchanged for AMCAN shares. Canadian companies have a significant holding in the equity of AMCAN, and it is intended, at a suitable stage in the company's development, to enlarge the Canadian interest and to apply for a listing of AMCAN shares on the principal Canadian stock exchanges.

Hudson Bay had another successful year. Its earnings per

share rose from \$5.80 (Canadian) to \$6.93 in 1966, and the total dividend was increased to \$4.05 a share from \$3.75 in 1965.

Hudson Bay, which last year brought into production a large diecasting and plating plant in Ontario, has further diversified its activities by acquiring a 60 per cent interest in Francana Oil and Gas Limited. Francana has significant oil and gas interests, principally in 91 producing oil wells in Saskatchewan and in nine natural gas producers in central Alberta. Francana also has an agreement with Tombill Mines Limited for the development of the Sylvite of Canada Limited potash property in Saskatchewan.

The net profit of Anglo American Investment Trust Limited (ANAMINT), through which the Corporation holds a large investment in the De Beers group, increased by 18 per cent to R13,141,000 in 1966, and the Corporation received higher dividends from both ANAMINT and De Beers. The market capitali-

NAMINT appreciated by R74 million to R254 million year; that of De Beers increased by R262 million to R1,000 million in 1966 and has since exceeded R1,000 million.

Nearly half the investments of Rand Selection Corporation Limited, directly and indirectly, are in gold mining, the rest being mainly in mining other than gold, and in finance in Southern Africa. Rand Selection's income was satisfactory during the year to 30th September, 1966, but its profit was lower than in the previous year, when profits were realized on the sale of investments. The group invested a net amount of R3.5 million.

State Investment Trust Limited (OFSIT) received increased investment income during 1966. However, because of a loss of R1,697,000 on the realization of 1965, the company's net profit increased in 1966. No material changes in investments took place in 1966, but during 1967 it will increase its interest in Southvaal Holdings Limited, formed to provide the major part of the finance for an area south of the Vaal River adjacent to Johannesburg.

The income of West Rand Investment Trust increased during 1966, chiefly because it received a sum from Western Deep Levels Limited, the entire

capital of which became eligible for dividends during the year. In 1966 WRIT acquired an interest in the Elsburg Gold Mining Company Limited and increased its investment in Kloof Gold Mining Company Limited, in both cases through rights issues. It will also acquire a shareholding in Southvaal Holdings.

Anglo American Industrial Corporation Limited (AMIC) earned a slightly lower profit in the year to 30th June, 1966, owing primarily to a reduction in income from its investments in the sugar industry, and to an increase in interest charges which arose from borrowings to finance new investment. In November, 1966, AMIC raised R13.6 million by means of an issue of deferred shares to fund its borrowings and to assist in the financing of capital commitments, notably expenditure on a new rolling mill by a subsidiary, Scaw Metals Limited, and its participation in Highveld Steel and Vanadium Corporation Limited. The AMIC group's total capital investment during its latest financial year amounted to R8,627,000, which included expenditure by Scaw Metals and the investment in Highveld Steel and Vanadium, The Southern Cross Steel Company (Proprietary) Limited, and Thompson Ramco S.A. (Proprietary) Limited, a manufacturer of automotive components.

Subsequently, AMIC acquired interests in Rheem South Africa (Proprietary) Limited, Isipingo Property Investments Limited, and in the United Transport group of companies in Southern Africa, which operates passenger and freight haulage services.

Investments, profits and dividends of the major finance companies

1966 Financial year ended	Investments (Consolidated):					
	quoted at market value and unquoted at book cost		Consolidated net profit after taxation		Dividends paid per share	
	1966 R million	1965 R million	1966 R million	1965 R million	1966 cents	1965 cents
American Corporation	31st December	490.1	419.9	30.8	29.2	130
American Industrial Corporation	30th June	105.3*	103.1*	4.6*	5.0*	30
American Investment Trust	31st December	210.4	148.2	13.1	11.1	115
Free State Investment Trust	31st December	120.5	133.0	10.3	8.3†	70
Rand Selection Corporation	30th September	392.9	333.3	17.6	19.0‡	37.5
Veeniging Estates	31st December	54.0*	56.0*	3.6*	3.5*	100
West Rand Investment Trust	31st December	140.7	114.9	6.0	5.2	42.5
Zambian Anglo American §	30th June	115.4*	101.2*	14.7*	14.5*	100 Net

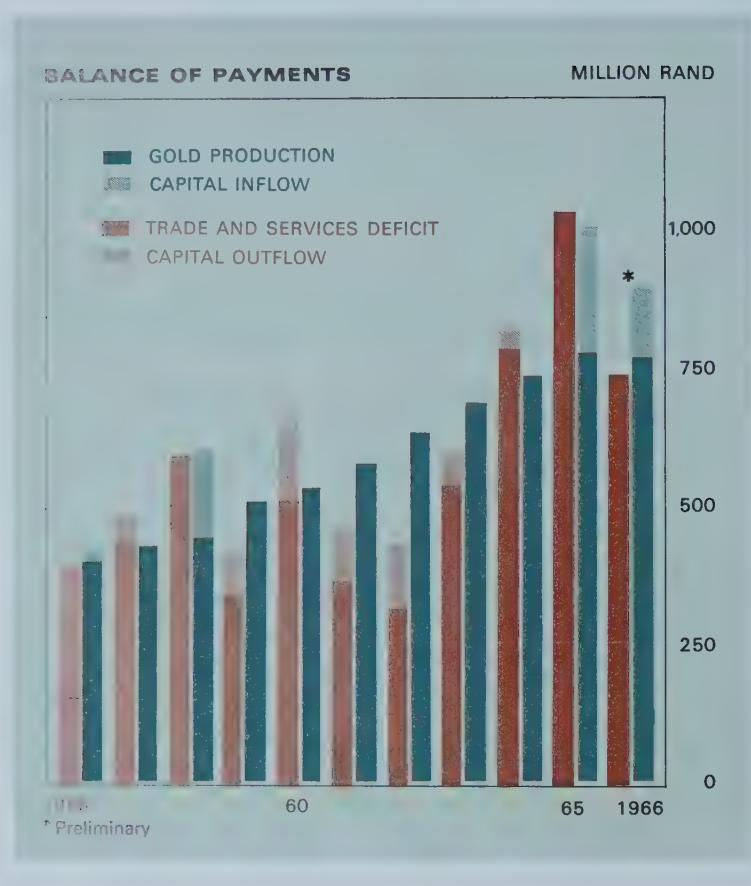
* Not consolidated

† After deducting R1,697,000 loss on realization of investment

‡ Includes exceptional surplus of R2,130,000 on sale of investments

§ Figures have been converted from £ to R





Torco segregation process developed by Anglo American Corporation will be used to treat the oxide ore which forms a large part of the Akjoujt orebody.

The net profit of Zambian Anglo American Limited for the year ended 30th June, 1966, was marginally higher than in the previous year owing to a small increase in its investment income. While its principal subsidiaries, Rhokana Corporation Limited and Nchanga Consolidated Copper Mines Limited, the accounts of which are not consolidated with those of Zambian Anglo American, earned higher profits, they paid unchanged dividends.

Further details of the principal finance and investment companies in which the Group holds shares are given on pages 52 to 55.

Gold and uranium

Government approves plan for new mine

The South African gold mining industry produced 31 million ounces in 1966, establishing a new record for the fifteenth successive year. The rate of increase in gold production declined sharply, however, to only one per cent from five per cent in 1965. The industry was responsible for 39 per cent of South Africa's earnings of foreign exchange, compared with 42 per cent in 1965.

The 13 Anglo American Corporation Group mines produced 12.14 million ounces of gold, equivalent to 39.3 per cent of the industry total and to about 29 per cent of world production (excluding communist countries), and their aggregate working profit rose by R3 million to R152 million. The industry's aggregate working profit fell by R6.7 million to R325.5 million.

The Orange Free State mines of the Group made a working profit of R111 million, and for the first time their production exceeded eight million ounces, representing 66 per cent of the Group total. Higher tonnages were milled by Free State Geduld Mines Limited, Welkom Gold Mining Company Limited and Western Holdings Limited. Deliveries of crushed ore by President Brand Gold Mining Company Limited to Free State Saaiplaas Gold Mining Company Limited, which began in January, 1966, reached the target rate of 50,000 tons a month in February this year.

Production of the Group's Transvaal mines increased by more than five per cent despite a reduction in output at Daggafontein Mines Limited where operations are expected to cease towards the end of 1967. The output of Western Deep Levels Limited rose by 27 per cent and its working profit of R19 million was 35 per cent higher than in 1965.

Rheem is a new company formed to manufacture steel containers. Isipingo Property Investments will develop an industrial township, 'Prospecton', near the port of Durban.

Charter Consolidated earned a net profit of £7,779,000 during the first year after its formation in April, 1965, by the merger of three mining finance companies. Dividends of 1s. 4d. a share, absorbing £3,827,000, were paid in respect of that year, and dividends totalling 1s. 2d. a share were declared for the year to 31st March, 1967. Warning of a reduction in the dividend rate because of the new taxation provisions in the United Kingdom was given in the first annual report.

Charter Consolidated's principal interests are in Southern Africa, North America and the United Kingdom. In addition it has important investments in the Malaysian tin mining industry, mainly through Tronoh Mines Limited. In November, 1966, the company announced that it had been authorized by the Government of Mauritania to establish a copper mine at Akjoujt. An operating company has been formed under Charter Consolidated's leadership, the other shareholders being the Mauritanian Government and certain French companies. The

Western Deep Levels during the year paid a maiden dividend on its 'B' shares, having completed the payment of 100 cents on its 'A' shares, at which stage the 'A' and 'B' shares ranked *pari passu*.

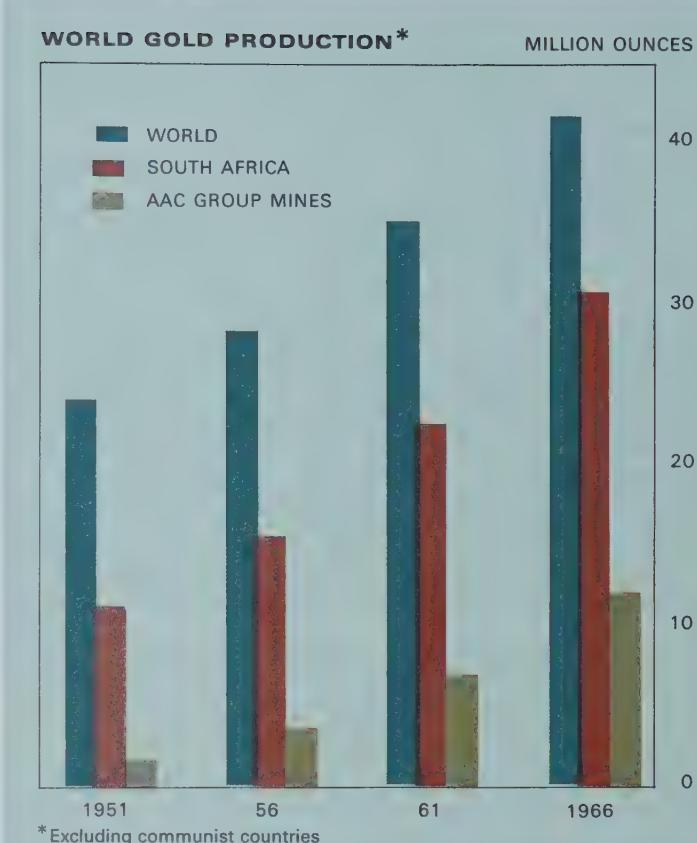
Although every effort has been made throughout the gold mining industry to counteract inflationary pressures on costs, the average working costs for the industry increased by 4.9 per cent in 1966. A constant drive is being maintained at all Group mines to improve efficiencies and contain costs.

The principal new development affecting the Group was the Government's approval of the proposal for the exploitation by Vaal Reefs Exploration and Mining Company Limited of an area south of the Vaal River. This area, to be known as Vaal Reefs South, will become an extension of the Vaal Reefs property and will be mined at a rate of 150,000 tons a month from a new twin-shaft system. Production is scheduled to begin early in 1973.

The importance of this scheme is that it will allow the mining of an area where the grade is such that it could not be exploited economically as an independent proposition. The estimated cost of bringing the new mine to the point at which profits can finance future capital expenditure is of the order of R60 million, and the essence of the scheme is that approximately half of this sum will be derived from savings in lease and tax payments accruing to Vaal Reefs as the expenditure on Vaal Reefs South is incurred. Southvaal Holdings Limited, a company formed by the holders of the mineral rights in the new area, will provide 78 per cent of the remaining cost and the balance will be found by Vaal Reefs. Southvaal Holdings will receive 60 per cent of the profits earned from the new mine and Vaal Reefs 40 per cent.

Southvaal Holdings will raise R10 million by the issue of 20 million shares and will receive a long-term loan of R15 million from Anglo American Corporation and Union Corporation Limited in the ratio of 65 to 35. In return for providing these loan facilities, the Anglo American Corporation Group and Union Corporation are entitled to subscribe at par for 3,250,000 and 1,750,000 shares, respectively, and have undertaken to do so on or before 31st December, 1972. The balance of the shares will be offered to the mineral right holders or their nominees *pro rata* to the mineral rights contributed. Western Holdings, which holds 63.2 per cent of the mineral rights, will offer the bulk of its entitlement to its shareholders.

The industrial tribunal, appointed by the Minister of Mines to locate the causes of dissension within the industry and to recommend methods of removing them, issued its report in October, 1966. This had no effect in bringing the general unrest to an end and the series of sporadic strikes by mine workers continued. In the latter half of the year the Industrial Conciliation Act was amended to prohibit strike action not directed against employers, and the Mineworkers' Union held the general

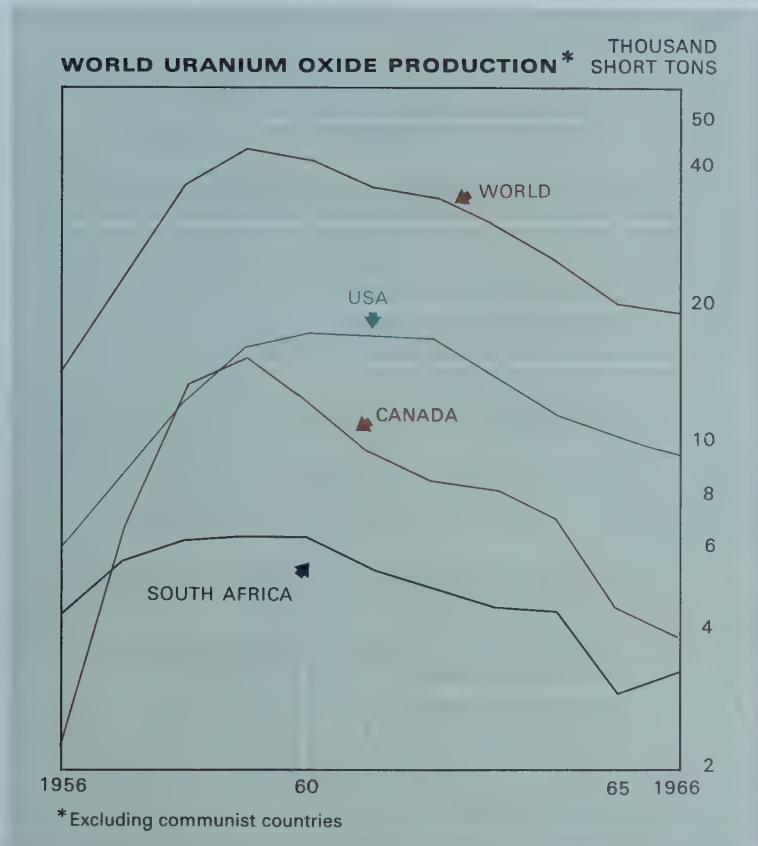


election recommended by the industrial tribunal. Proposals for the improvement of conditions of employment in the industry were presented to the Federation of Mining Unions by the Chamber of Mines, on behalf of employers in the industry. The proposals were made conditional on the agreement of the unions to certain labour rationalization measures and recognized the need to raise the basic wage level to meet recent increases in the cost of living.

A settlement with the unions, based on these proposals, was recently announced. It is intended that the cost of the improvement in earnings agreed to by the Chamber of Mines will to some extent be offset by increased productivity.

URANIUM A sharp increase last year in the number of nuclear power stations planned throughout the world, particularly in Europe and the United States, is evidence of the growth of confidence in the future of nuclear generation of electricity. Many of the new plants announced will be much larger than the majority so far built, and clearly the weight of opinion is that





nuclear power stations will become competitive with conventional plants.

There was a marked revival in demand for uranium. The South African industry, which produces uranium at lower cost than most other countries, concluded a number of new contracts during the year and continues to receive enquiries from overseas. Some mining companies have decided to expand their production facilities or to re-open closed plants. The Vaal Reefs uranium plant, which has been on a care-and-maintenance basis since 1961, will be restored to its full treatment capacity of 100,000 tons a month by the end of the current year. It has recently been decided that the recovery of uranium from the ore to be mined by Vaal Reefs South is justified at the improved world prices.

A number of the Group's gold mines have uranium values in their ore, the grade of which does not justify the recovery of uranium at present prices. However, the possibilities of further uranium production are being investigated.

The detailed operating results of mines administered by Anglo American Corporation and those in which the Group has substantial interests are given on pages 56 to 63.

Diamonds

Higher production from De Beers' mines

Sales of gem and industrial diamonds by the Central Selling Organization in 1966 reached a new record for the sixth successive year, rising by R59,058,000, or 20 per cent, to R355,692,000. The increase in the value of sales was attributable to higher diamond production, a further improvement in demand, and the price increases averaging $7\frac{1}{2}$ per cent which were introduced in August for all qualities other than drilling stones and boart. An increase of 26 per cent in sales of boart in part reflected a decline in the quantity of illicit boart reaching the market from the Congo. Sales of synthetic diamond grit rose by 50 per cent. Sales of diamonds through the C.S.O. continued at a satisfactory level during the first quarter of 1967.

The Diamond Corporation's new contracts with the major producers outside South Africa were signed during 1966, and the Diamond Producers' Association agreement was renewed until 31st December, 1970.

De Beers Consolidated Mines Limited and the General Electric Company of New York reached agreement towards the end of the year over the production and marketing of synthetic grit; this resolved long-standing patent disputes in South Africa and Europe. De Beers purchased outright from G.E.C. the South African process patent and certain patent applications, and received a non-exclusive licence to manufacture and sell in Europe synthetic diamonds for which a royalty on sales is to be paid. Production at the factory of Ultra High Pressure Units Limited near Johannesburg will now be increased.

Important technical advances were made in the improvement of the De Beers synthetic product in the course of the year, including a process of metal-cladding synthetic grit which, in its application to grinding wheels, more than doubles the efficiency of the grit. This opens up new areas of application for synthetic, and possibly natural, diamond grit which could greatly increase demand. The process aroused considerable interest at the International Industrial Diamond Conference at Oxford in September, which was sponsored by De Beers industrial diamond division and attended by 900 delegates from 46 countries.

Marine Diamond Corporation Limited produced 253,770 carats in the year ended 31st December, 1966, of which 170,833 carats were recovered from the sea and 82,937 carats from the foreshore.

Production from the sea was affected by the withdrawal in June of 'Diamantkus', one of the three mining and recovery units in operation during the first six months of the year. Production from the foreshore, which started on a limited scale in the second half of 1965, increased materially in 1966, but



will fluctuate with variations in grade and in the weather.

The commissioning of the new mining unit 'Pomona', which has been built to replace 'Diamantkus', has been delayed by the need to re-design the dredging structure to withstand the severe dynamic forces imposed by swell movement.

The capital structure of Marine Diamond Corporation was placed on a sounder basis last year by the issue of shares to provide for the conversion of short-term loans, thus reducing the burden of interest payments.

The mines operated by the De Beers company increased production by 938,784 carats to 2,839,000 carats in 1966. This increase resulted from higher production at the De Beers mine at Kimberley and the alluvial workings in Namaqualand, and from the growing contribution of the new Finsch mine, which was in full production by the end of the year and is expected to produce about two million carats in 1967.

The operations of the other mines of the De Beers group continued satisfactorily, and there were slight increases in production at The Consolidated Diamond Mines of South-West Africa Limited and The Premier (Transvaal) Diamond Mining Company Limited.

Prospecting operations continued at the Voorspoed mine, in the Orange Free State, which is being examined to determine whether it could be economically reopened. Prospecting of alluvial areas continued on a large scale in Namaqualand and the north-western Cape. Prospecting campaigns in other parts of the world are being continued, but have not yet revealed any payable deposits.

Further details of companies in the De Beers group are given on pages 64 and 65.

Copper

Planned expansion through Torco

World consumption of copper (excluding communist countries) sharply increased in 1966 to a new record of 4,577,000 short tons, which was eight per cent higher than in 1965. Production fell marginally to 4,143,000 tons, and it is estimated that 150,000 tons of output was lost as a result of strikes.

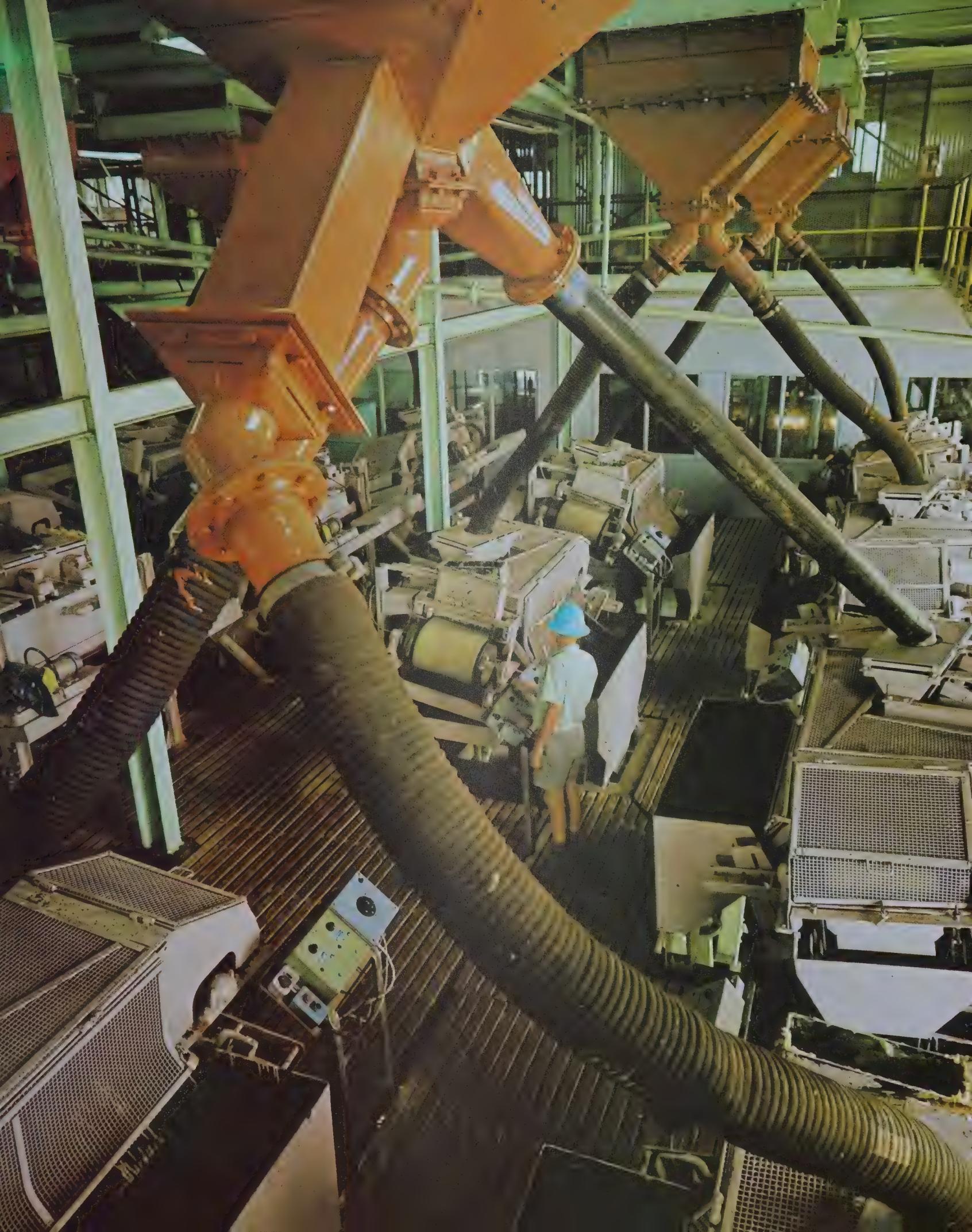
At the beginning of January, 1966, the copper companies of the Group raised their producer price from £304 to £336 a ton. Following the decision of the Chilean producers to increase their price by £160 to £496 a ton, the Zambian companies decided to abandon the producer price and announced that from 25th April their price would be equivalent to the three-months forward sellers' quotation for wirebars on the London Metal Exchange. By the end of September all the major producers outside the United States had linked their selling prices to the L.M.E. quotations. The cash wirebar price, which had reached a peak of £790 on 5th April, showed a downward trend after May—interrupted by occasional increases—and in December, 1966, it averaged £440 a ton.

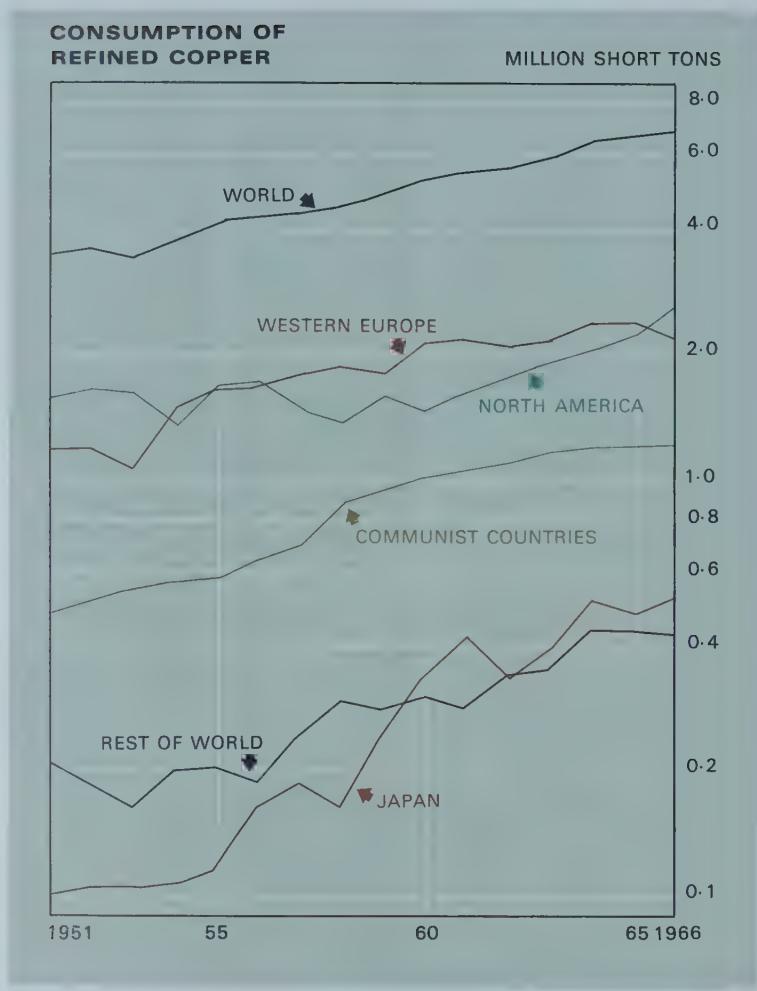
At the time that the Zambian producers changed their pricing basis, the Government imposed an export tax on all copper leaving Zambia, equivalent to 40 per cent of the amount by which the monthly average of all quotations for copper on the L.M.E. exceeded £300 a ton.

GROUP PRODUCTION AND SALES Group companies produced 325,155 long tons of finished copper, compared with 396,122 tons in 1965. There were major strikes in April and September, and furthermore, owing to a shortage of fuel, finished production by the industry during the last quarter of the year was restricted to approximately 75 per cent of normal. This reduction continued until towards the end of the first quarter of 1967 when an improvement in fuel supplies enabled production to be increased to 90 per cent of capacity. Mining and milling operations have been maintained throughout as nearly as possible at the normal rate, and substantial stockpiles of copper in concentrate form have built up on the mines.

Group sales of copper declined to 337,363 long tons from 376,134 tons in 1965, but in value they rose by £16,715,000 to £116,698,000. In addition, Rhokana Corporation Limited sold 1,670 short tons of cobalt at a value of £2,004,000.

Rhokana produced 87,040 long tons of finished copper in 1966, compared with 102,398 in 1965. Considerable difficulties were experienced underground but the results of work on a sandfilling method of support have been encouraging, and it is hoped that its gradual implementation in the Mindola ore-





body will contribute significantly to solving the mining problems.

Production by Nchanga Consolidated Copper Mines Limited was 203,712 long tons, a decrease of 53,514 tons compared with the 1965 figure. The company failed to achieve its planned grade level during the year. A grade reduction in the normal course of mining had been expected, but the position was made worse by excessive rock pressures underground which inhibited a balanced ore extraction programme. Nchanga has in hand a major expansion of its mining and treatment capacity to enable output of finished copper to be built up to and maintained at a level exceeding 260,000 tons a year. Good progress is being made with the new Mimbula-Fitula open-cast pits, and ore from this source is expected to contribute to Nchanga's output from the beginning of 1968.

At Bancroft Mines Limited satisfactory progress continues to be made in handling water problems and in increasing mine output. At current prices Bancroft is able to earn a profit on mining

operations, and profitability should increase progressively as output improves. Production was 34,400 long tons, 2,095 tons less than in 1965.

Further improvements were made to the Torco process during 1966. The commercial-scale pilot plant at Rhokana began operations in October, 1965, and the success of the project was announced on 15th September, 1966. Throughout this period the unit treated exclusively the particularly intractable oxide ore from Rhokana's Mindola open pit, and 480 tons of segregated copper have been produced since the plant was commissioned.

Plans for expanding Group capacity in Zambia involve the use of Torco units for the treatment of refractory ores, and in all could lead to an increase of as much as 100,000 tons of copper a year.

EVENTS IN CENTRAL AFRICA Zambia's policy of opening alternative transport routes to the sea was stimulated by Rhodesia's declaration of independence, and the subsequent complications and difficulties in operating the jointly owned Rhodesia Railways further encouraged the development of road and rail routes through Tanzania, Malawi, the Congo and Angola.

The copper mining companies are now despatching a substantial proportion of their production over these routes, and an increasing volume of imports is coming into Zambia in the same way. It is clear, however, that it will be necessary for the country to use all available routes for some years to come, particularly for imports, in view of the very substantial requirements of Zambia's four-year development plan.

Deliveries to customers were affected not only by strikes but by the temporary cessation of railings over Rhodesia Railways during June and July with a consequent build-up of finished stocks in Zambia. However, since 22nd July copper has moved freely over all routes and no major problems in the delivery of available copper have been encountered.

The copper mining industry normally consumes about 65,000 tons a month of coal, which in the past has been drawn from Wankie Colliery in Rhodesia. Since the middle of 1966 the railway system has been unable to move enough coal to meet the industry's needs and at the same time maintain a balanced flow of general goods into the country. However, output from the Nkandabwe coal mine, which was established by the Government and the two mining groups, saved the industry from cutting production drastically below 75 per cent of normal.

The industry faced severe labour problems during 1966. In April the Government appointed a commission to enquire into all aspects of labour relations in the mining industry, and the commission reported in August. It recommended, *inter alia*, an increase of 22 per cent in basic wages for all local employees. This was accepted by the Government and implemented by the companies. Among other significant recommendations was the



setting up of a government committee to oversee the progress and development of Zambianization of the labour force, and it is hoped that this committee will go a long way in establishing confidence in the companies' policies. Other recommendations involved the introduction of a single basic wage structure covering both expatriate and local labour, and this issue is still under discussion. Costs at all the mines have been considerably affected by the increase in wages, and also by a general tendency to inflation in the country.

The detailed operating results of mines administered by Anglo American Corporation (Central Africa) and those in which the Group has substantial interests are given on pages 66 and 67.

Coal

Bank Colliery replaces Kromdraai

South African coal sales in 1966, at 51,722,000 tons, were about 780,000 tons lower than in the previous year; this decline followed six years of steadily increasing consumption. Collieries of the Anglo American Corporation Group in the Republic produced 17,735,000 tons, compared with 18,521,000 in 1965. Gross annual profits from the Group's coal mining and coke manufacturing companies, some of which have financial years ending in June and the remainder in December, fell slightly from R9,028,000 in 1965 to R8,945,000.

A decrease in profits, particularly since the middle of 1966, has been experienced by nearly all coal producers in the industry and can be attributed in part to rising costs and in part to some recession during the past year in all sales other than to power stations.

Increases in costs are not peculiar to the coal mining industry, but in the context of its relatively low profit margins they can have severe effects which are only partially and temporarily alleviated by periodic increases in the controlled price of the product. Over a number of years it has been possible to absorb some part of extra costs by increased output, but many collieries are now unable to dispose of their potential production. Unless working costs can be contained, it is inevitable that the selling price of coal must rise.

After a long period of negotiation, the coal mining industry has reached agreement with the Federation of Mining Unions on the terms of a scheme whereby members of the unions involved will receive a monthly salary instead of being paid on the basis of a daily rate. The scheme provides for a generally higher level of earnings on the coal mines, and in recognition of this the Federation has agreed to certain changes in trade union practices

which will, it is hoped, result in improved efficiency and productivity on the collieries. To enable these changes to be implemented the Government Mining Engineer has agreed to grant certain exemptions from the mining regulations.

The new arrangements were effective from 1st May, 1967, and it is not possible at this stage to assess their overall effects on production costs.

Work is proceeding on the planning and design of the Group collieries which will supply the new Arnot power station which Escom is establishing in the eastern Transvaal. Escom has now decided to install six 350 MW generators so that the ultimate capacity of this station will be 2,100 MW. The station will be commissioned in 1971, and when it reaches full capacity some years later will use approximately seven million tons of coal a year. Springfield Collieries Limited is engaged in preparations to expand its output to meet the needs of Escom's new 1,200 MW station at Grootvlei near Balfour, Transvaal.

After producing about 47 million tons of coal in 40 years, the Kromdraai Colliery, operated by The Coronation Collieries Limited, ceased operations in August, 1966, and was replaced by Bank Colliery, which has been equipped to produce 130,000 tons a month.

The importance of power station trade to the coal mining industry is demonstrated by the fact that already nearly 50 per cent of coal output is sold to power stations and that the country's installed generating capacity is expected to double within the next decade. In due course a number of nuclear stations may be built, but it is certain that coal will provide a major part of power station fuel requirements for many years to come. The bulk of these requirements is met by 'captive' collieries adjacent to the stations which they serve. It is, however, vital that the independent producers of bituminous coal in the Witbank and Natal areas should at least maintain the existing outlets in the power station market for their substantial arisings of fine coal. If they cannot, they will encounter serious difficulties in future years which may lead to a waste, on a large scale, of national resources and investment.

The rapid growth of power station requirements is attributable not only to normal expansion and population growth, but also to the tendency in most developed countries for basic energy provided by coal to be converted into electric power. While the decrease in sales other than to power stations in 1966 is partially accounted for by utilization of excess stocks and by the mild winter, another major factor was the reduction in consumption by industry, and by South African Railways as a result of an increase in use of electric and diesel traction. Nevertheless, in addition to its essential contribution to power generation, steel-making and other metallurgical processes, coal will continue to play an important part in other sectors of the economy because of its availability and low cost.

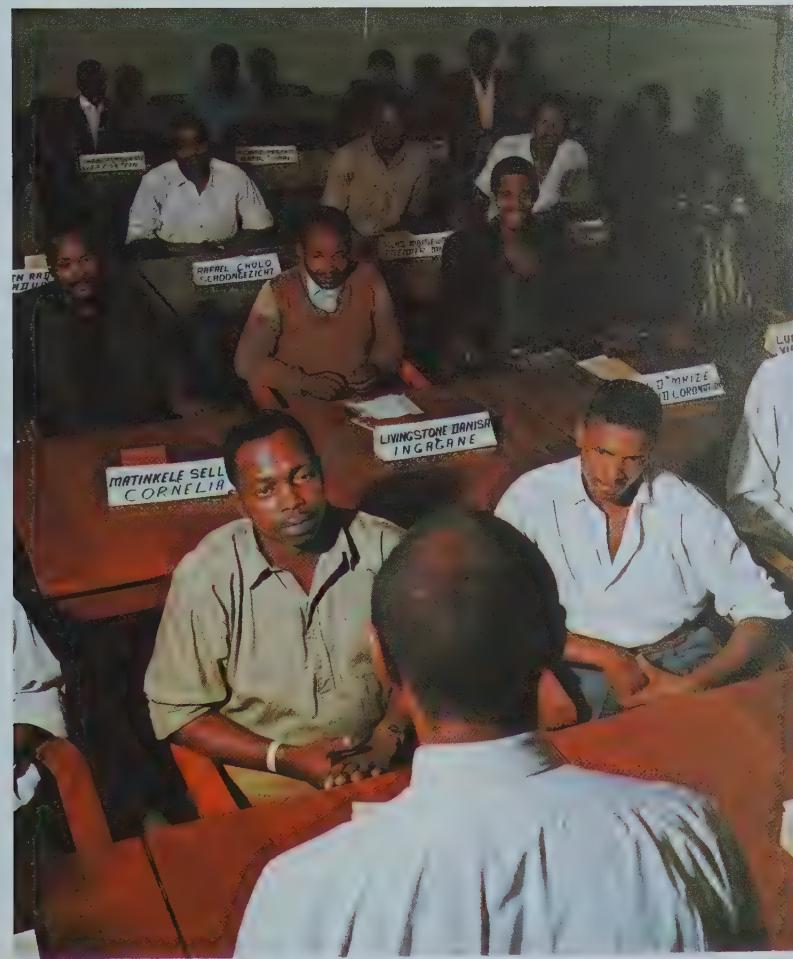
By extending its training facilities the Group is alleviating the serious shortage of colliery personnel

Top left: learner officials operate a coal-cutter underground at Blinkpan Colliery as part of their training under the scheme run jointly by Anglo American Corporation and Trans-Natal Coal Corporation

Bottom left: special courses for various categories of African employees are held at S.A. Lands gold mine and are attended by men from Group mines in South Africa

Top right: in this language laboratory at a Group mine Africans receive part of their training as personnel assistants

Bottom right: a young apprentice mechanic operating a lathe at the school run by the Chamber of Mines near Witbank



The coal, coke and anthracite producers' associations have recently formed a Solid Fuels Advisory Bureau which will provide customers with technical advice and services, and will co-operate fully with the authorities in the implementation of the Atmospheric Pollution Act. Much progress has been made with the development of appliances which will burn coal automatically and smokelessly.

During the year the Anglo American Corporation Group established a central coal laboratory at South African Coal Estates (Witbank) Limited to serve its mines in the Witbank area. Its facilities are of great assistance to the collieries in controlling coal preparation to meet customers' requirements.

With a view to alleviating the present shortage of colliery personnel, two training schemes were put in hand during the year. One is operated by the Transvaal and Orange Free State Chamber of Mines for training apprentice mechanics, electricians and boilermakers, and the other, run jointly by Anglo American Corporation and Trans-Natal Coal Corporation, provides a three-year course for training underground officials. Group mines continue to provide extensive facilities for African employees to improve their skills and efficiencies. Their work is rated according to responsibility and environment and appropriate training is provided between each grade.

Coke sales continued at a high level and totalled 847,000 tons for the year. Vryheid Coronation Limited accounted for about two-thirds of these sales. During the dry season, the company's operations were jeopardized by the severe drought in northern Natal, and alternative water supplies had to be arranged by constructing a pipeline from the Pivaans River to the mine at a cost of about R700,000.

Coal sales by Wankie Colliery Company Limited in Rhodesia suffered a sharp drop from 3,172,000 tons in 1965 to 2,726,000 tons as a result of transport problems in supplying its markets in Zambia and the Congo. Coke sales of 203,000 tons were the same as in 1965.

The detailed operating results of mines administered by Anglo American Corporation and those in which the Group has substantial interests are given on pages 68 and 69.

Japanese steel mills. The grade of ore delivered remains satisfactory and well within the specification laid down in the sales contract. During the year the company entered into contracts with the Japanese mills for the sale of one million tons of fines over a five-year period, and is negotiating the sale of a further 4.1 million tons of fines over a seven-year period ending in 1974. The first return on the substantial investment involved in bringing the company's mine to production and establishing the rail link to the Mozambique border came with the declaration of the company's maiden dividend in 1966.

Production of lead and zinc by The Zambia Broken Hill Development Company Limited declined from 67,762 long tons to 61,209 tons in 1966. The causes were a strike in September, a shutdown of the Imperial Smelting Furnace in November owing to a serious lead leak from the condenser, and a shortage of acid which affected production of electrolytic zinc from the leach plant. Sales increased to 64,755 tons from 61,222 tons, almost disposing of the stocks that had been built up at the end of 1965. Increases in wages, the effect on costs of curtailed production, and a fall of £10 a ton in average sales proceeds from lead and zinc, reduced the net profit to £399,000 from £1,047,000 in 1965. The company found it necessary to arrange temporary loan facilities to finance its capital and plant rehabilitation programme, and in December the directors announced that the financial position did not justify the payment of a dividend for 1966.

In June, 1966, the Group acquired an 85 per cent interest in Trojan Nickel Mine (Private) Limited, a company which exploits a nickel property north of Salisbury, Rhodesia. The output of the mine is to be increased from 70,000 tons of ore a year to a rate of 600,000 tons a year in eighteen months' time. Initially nickel matte will be produced and at a later stage the company will convert its output to metal. The cost of acquiring this interest, and of the proposed expansion of Trojan's output, is expected to exceed R8 million.

The Group's dividend income from The South West Africa Company (SWACO) during 1966 was only half the amount received during 1965. SWACO's net profit, at £625,000 for the year ended 30th June, 1966, was 50 per cent lower than for the year before. The company's application for United Kingdom Treasury consent to transfer its management and control to South West Africa was refused and, with the abolishment of overseas trading corporation status, the company is now subject to United Kingdom corporation tax as well as to United Kingdom income tax at the standard rate on dividend distributions.

SWACO holds 2.375 per cent of the capital of Tsumeb Corporation Limited, and in addition to this indirect interest the Group has a direct holding in Tsumeb. In the year to 30th June, 1966, Tsumeb increased its net profit by more than nine per cent to R20,708,000, and raised its total dividend by R5 million to R20

Other mining

Interest acquired in Trojan nickel mine

Swaziland Iron Ore Development Company Limited delivered 1.5 million tons of iron ore during 1966 under its ten-year contract for the supply of 14.5 million tons of ore to certain

million. Sales of copper, lead and zinc were 3,000 tons higher at 155,395 tons.

Further details of mining companies in which the Group holds shares are given on page 70.

Industry

Investments exceed R190 million

The Anglo American Corporation Group has greatly expanded its participation in basic and manufacturing industry in recent years, and its industrial investments were valued at more than R190 million at the end of 1966. The Group also has extensive forward commitments in industrial projects, the biggest of which is the R117 million Highveld steel and vanadium complex. The total industrial investments of the Corporation and its subsidiaries amounted to R94.4 million.

An important part of the Group's investments in industry is held by Anglo American Industrial Corporation Limited (AMIC), which was incorporated in 1963 to consolidate certain of the Group's industrial interests and to provide a vehicle for participating in the development of new industrial ventures. More recently, Mainstraat Beleggings (1965) (Eiendoms) Beperk was formed to continue the association between the Anglo American Corporation and Federale Mynbou/General Mining groups, principally in the fields of steel, engineering and heavy industry. The Group has for many years held an interest in De Beers Industrial Corporation Limited (a company of the De Beers Consolidated Mines Limited group), which until 1966 held, jointly with Imperial Chemical Industries Limited, the entire ordinary share capital of African Explosives and Chemical Industries Limited. Following a placing of new shares by African Explosives last year, De Beers Industrial Corporation now owns approximately 42.5 per cent of the company's equity.

The Corporation has indirect interests in the industrial investments of Rand Selection Corporation Limited, which are similar to its own; of Anglo American Corporation Rhodesia Limited, which include ferro-alloys, steel, flour milling, agriculture and forestry; of Zambian Anglo American Limited, which include brewing and civil engineering and contracting; and of the Charter Consolidated group in the United Kingdom.

In Southern Africa the Group's industrial interests range over a broad field. Most emphasis is at present to be found in the iron, steel, alloys and engineering sectors but the Group has important investments in explosives and chemicals, the Boart and Hard Metal Products group, building and construction, and

foodstuffs and beverages. Smaller investments are held in forestry and timber products, paperboard, textiles, vehicles and automotive components, and sugar.

The Group's participation in industry falls into three main categories. In the first are undertakings, of which Highveld Steel and Vanadium Corporation Limited is the largest, which are initiated from within the Group itself. In the second category are portfolio investments in established South African industrial undertakings. The third comprises joint industrial ventures with overseas companies, where an essential element is the introduction of foreign knowledge and capital to local manufacture. Among the Group's recent undertakings in this field are Thompson Ramco S.A. (Proprietary) Limited (automotive components), Rheem South Africa (Proprietary) Limited (steel containers) and Industrias de Caju Mocita Limitada, in Mozambique (cashew-nut processing). De Beers Industrial Corporation has participated in the establishment of South African Nylon Spinners (Proprietary) Limited (polymer and polyester spinning). These ventures have brought American, British and Italian capital and expertise to Southern Africa.

During 1966 the industrial companies in which the Group is interested were generally affected by the credit squeeze and by rising costs in common with the economy as a whole. The iron, steel and engineering industries and the sugar industry were harder hit than others as a result of additional factors peculiar to these sectors. However, Scaw Metals Limited and Vereeniging Refractories Limited again achieved satisfactory results, their profits after tax increasing by five per cent and seven per cent respectively.

Scaw Metals completed major extensions to its foundry during 1966 and is at present installing a continuous merchant rod and bar mill at an estimated cost of R10 million. In November, 1966, Vereeniging Refractories and Cullinan Refractories Limited agreed to combine their production of earthenware sewer pipes in a new joint company, Vitro Clay Pipes Limited, which is building a factory near Vereeniging at a cost of about R2 million, including working capital.

Transalloys (Proprietary) Limited, at Witbank, has been producing ferro-chrome alloys since May, 1964, but because of technical difficulties and depressed market prices the company is not yet operating profitably. Other Group interests in the primary metal industry include investments in R.M.B. Alloys (Proprietary) Limited and The Southern Cross Steel Company (Proprietary) Limited of the Rand Mines group and, through Anglo American Corporation Rhodesia, in Rhodesian Alloys (Private) Limited and The Rhodesian Iron and Steel Company Limited.

Construction of the Highveld Steel and Vanadium plant near Witbank, Transvaal, is progressing satisfactorily. The annual capacity of the plant, which is expected to start production in 1968, will be 480,000 tons of pig iron, equivalent to 415,000



WALL NR.6
ROSS EIGHT GRUN MBS

tons of steel products, and 23 million pounds of vanadium pentoxide contained in slag. An excellent nucleus of senior plant personnel has been engaged, largely from overseas countries, including the United Kingdom, Australia and Germany.

Trial mining was carried out in the new Mapoch's mine during 1966 and construction of the plant has begun. The mine will be in regular production towards the end of 1967 and will supply Highveld initially with about one million tons of titaniferous magnetite ore a year.

During the year Highveld acquired the vanadium processing plant of Transvaal Vanadium Company which is now being operated as the Vantra Division of Highveld. Its production of vanadium pentoxide in 1966 was sold in the United Kingdom, Europe and Japan.

In July, 1966, African Explosives issued 15,250,000 new ordinary shares, of which 3,250,000 were allotted to De Beers Industrial Corporation and Imperial Chemical Industries Limited in repayment of loans, and 12 million were placed through Union Acceptances Limited. At the same time the company was granted a listing for its ordinary capital on the Johannesburg Stock Exchange. New capital amounting to over R30 million was raised in this way towards the financing of capital projects then estimated at R66 million. Expansion is taking place at the company's Umbogintwini and Midland (Sasolburg) factories, and at its Modderfontein plant.

Considerable rationalization and consolidation was effected in the LTA construction group during the year to 30th June, 1966, which was the first full year of operation since the merger of its constituent companies in June, 1965. The group profit for the year, at R1.55 million after tax, was in excess of the figure of R1.2 million forecast at the time of the merger. The Anglo American Corporation Group's interest in LTA was increased during 1966, when the Corporation exercised its option to subscribe for a further 500,000 shares in the company's capital.

Total trading profits, after tax, of the Boart and Hard Metal Products group, including its subsidiary and associated companies, amounted to R5,743,000, subject to audit, compared with R5,304,000 in 1965. The Boart and Hard Metal Products share of these profits amounted to R3,148,000 and R3,143,000, respectively.

Of particular importance during the year was the formation in Luxembourg of Boart International Luxembourg S.A.H. to acquire the foreign investments of Boart and Hard Metal Products S.A. Limited from its Bahamian-based company. In addition, a holding company, Contractual Holdings Limited, has been established in Zambia to consolidate the Group's activities in that country. Amalgamated Construction Company Limited, which operates in Zambia, has joined in a consortium to remove 106 million cubic yards of overburden for Nchanga Consolidated Copper Mines Limited. The value of this con-

tract, which will take from 8 to 10 years to complete, has been estimated at approximately £24 million.

International Civil Engineering and Construction Company S.A. (I.C.E.C.O.) has been formed in Brussels by Boart International and a company jointly owned by Anglo American Corporation and Banque de Paris et des Pays-Bas. I.C.E.C.O., on its own account or with other groups, will undertake civil engineering and contractual work in Europe and underdeveloped countries.

Industrias de Caju Mocita Limitada began operations at its cashew nut processing plant in July, 1966. The plant, which cost R1.8 million to establish, is 130 miles north of Lourenço Marques, and is the largest and most modern of its type in the world. Mocita obtains its raw materials locally and produces high-quality cashew nut kernels and CNSL, an industrial liquid.

Hulett's Sugar Corporation Limited, in which AMIC has an interest of more than 10 per cent, suffered a drastic reduction in consolidated profit after tax from R6.4 million to R188,000 in the year ended 30th April, 1966. The two main reasons were a further sharp decline in the export price, and the worst drought in the history of the sugar industry, which reduced the production of the Hulett's group by 200,000 tons to 368,690 tons.

Although sugar production has shown a striking recovery in 1966/67, and Hulett's production is expected to exceed 650,000 tons, approximately half will be sold in the export market where prices are still very low.

An increase in the local market price was approved in May, 1966, but this was more than offset by the fall in the export price and a large increase in the export surplus. In March, 1967, the Government approved a further price increase and has since guaranteed a loan of R10 million to bridge the industry's serious financial problems. These measures are expected to stabilize the industrial average price at a higher level in both the current season and the next.

The profits of South African Board Mills Limited, in which AMIC has a holding of more than 25 per cent, were seven per cent lower last year owing to losses on its sugar operations. However, it achieved an increase of 15 per cent in paperboard production, which is the company's principal activity.

Anglo American Corporation, jointly with Johannesburg Consolidated Investment Company Limited, has been investigating the feasibility of establishing in Natal a pulp mill, bleaching plant, and a mill to produce fine papers for the domestic market. Since the beginning of 1967 Crown Zellerbach International Incorporated, of California, has been participating in the detailed studies on which the final evaluation of the project will be made.

An agreement was reached in February, 1967, with United Transport Overseas Limited by which the Group has acquired substantial minority interests in United Transport Holdings Limited, which operates in South Africa, and in Swaziland United Transport Limited. The United Transport group is



planning a considerable expansion of its passenger and freight haulage services in Southern Africa as well as the development of tourism.

Further details of the principal industrial companies in which the Group holds shares are given on pages 71 to 74.

Property

New industrial township near Durban

The Group's direct and indirect investment in real estate continues to expand and the Corporation is investigating several new projects. After more than three years of planning, work has begun on the Carlton Centre, a redevelopment scheme in the centre of Johannesburg which the Corporation and The South African Breweries Limited are promoting jointly. This complex of buildings will include a 30-storey hotel, a 50-storey office tower, 400,000 square feet of shops, and parking for at least 2,000 cars.

The site covers more than six acres, and demolition of the old buildings was completed during the year. The contract for the excavation of four blocks of the site was awarded in January, 1967, and this work is expected to take approximately a year. It will involve the removal of more than a million tons of rock and soil and will result in an excavation averaging 85 feet in depth over five of the six acres. It is expected that tenders for the main contract for the erection of the buildings will be invited about September, 1967 and that construction will start at the end of the year. The hotel, shopping areas and parking facilities should be completed not later than May, 1970, and the office tower early in 1971.

Through City Developments Limited, a property-holding company which is administered by Union Acceptances Limited, the Group has important interests in Edura House and Amcor House, Johannesburg, two large office buildings which have been operating for some years and are fully let. During the year City Developments acquired a half-acre site in the financial area of Johannesburg, a one-acre site in West Street, Durban, and a one-third interest in the development of a half-acre site in Sauer Street, Johannesburg. All these sites will be developed as office buildings. Construction of the Sauer Street property has begun; planning of the other two is in progress and construction is expected to start early in 1968. City Developments' interest in Total Centre, Johannesburg, was disposed of in 1966 at a satisfactory profit.

In November, 1966, the Group, in conjunction with the Tongaat Sugar Company Limited, formed a new company,

Isipingo Property Investments Limited, to purchase 720 acres of land in the Borough of Amanzimtoti, Natal. The land is being developed as an industrial township, and after the installation of roads and services there will be approximately 560 acres available for sale. This township, to be called 'Prospecton', is well situated for industrialists in the Durban area, being only 12 miles from the docks and with excellent road and rail access to surrounding areas. Development work on the site began in December, 1966, and the first zone of about 50 acres has already been sold.

The Group has a substantial interest in the new headquarters building for the Schlesinger Organization in Braamfontein, Johannesburg, which is expected to be completed towards the end of 1967. This R4.15 million development will provide 172,000 square feet of office space, a large proportion of which will be occupied by the Schlesinger Organization.

South African Townships Mining and Finance Corporation Limited, a subsidiary of Rand Selection Corporation Limited, embarked on two new property ventures during the year. In September, 1966, a new company, Sabel Developments (Proprietary) Limited, in which South African Townships has a controlling interest, was formed to develop a prominent site in the main street of Bellville, western Cape, an industrial town which is expanding rapidly. This site will be developed as a shopping centre on two levels.

Crescent Developments (Proprietary) Limited, a wholly owned subsidiary of South African Townships, was formed in August, 1966, to develop a six-acre complex of flats in Bryanston. It will consist of six buildings separated by extensive areas of garden and will provide 90 duplex and penthouse flats. Completion of the first building is scheduled for August, 1967, and revenue should begin to accrue towards the end of the year.

Demand for residential stands remains at a high level and South African Townships sold all its remaining available stands in Bryanston during the year. A new extension of about 250 stands is being developed in Bryanston, and a zone of 77 stands was auctioned on 4th March, 1967. The remaining stands will be sold as soon as possible.

Prospecting

Exploration on four continents

The Group's prospecting activities used to be confined to Southern and Central Africa, and while this continues to be the main area of exploration the Group now participates in prospecting ventures in Australia, North America and the Far

East. In many of the areas Charter Consolidated Limited has taken the lead.

In South Africa gold prospecting has continued both for extensions to the Witwatersrand Basin and for new areas of promise inside it. The programme of the last few years in the vicinity of the Klerksdorp gold mines has now been completed. In view of the disappointing results it has been decided to allow the options acquired in this area to lapse, and two new gold prospecting ventures in the eastern and southern Transvaal have been started. The results of prospecting for gold in the Pongola district have been negative and the work has been stopped. Although gold prospecting operations in the Klerksdorp area have ceased, a considerable amount of work is being done to the west of the town on the Dominion Reef, in order to assess its uranium potential.

A number of base metal propositions were examined during the year and options have been acquired over several properties in the northern Transvaal. The surface prospecting programme for tin near Nylstroom has been completed and two exploratory adits are being driven into an area of indicated mineralization to examine it more closely underground. A diamond drilling programme is also being undertaken in other parts of the option area.

The Group has continued the major coal prospecting programme which was begun in 1963. During 1966, prospecting was undertaken mainly in the Transvaal and Natal, and options were taken over ground which on geological evidence could be underlain by coal deposits. Drilling has proved considerable reserves of coal which may be of significant economic interest in the future.

In Zambia, in addition to the intensive prospecting in the Copperbelt area carried out by the Group copper mining companies, prospecting was continued by Chartered Exploration Limited in various concession areas, particularly in the vicinity of Lusaka and Broken Hill. In the concession area north of Lusaka a small, low-grade copper deposit was outlined by drilling west of the Chalalobuka copper orebody, and scout drilling at three other prospects, Katuba, Chongwe South and Cheowa, has found lenticular copper bodies. South of Broken Hill copper occurrences in rocks of volcanic origin are being investigated. The examination of zinc occurrences west of Broken Hill and north of Lusaka continues. Work has started on the evaluation of the phosphate potential of the Feira carbonatites near the Mozambique border. Drilling for coal in the Lubaba Mission area south of the Kafue Flats has not revealed any commercial seams.

In Rhodesia, Anglo American Mineral Searches Limited completed its geological appraisal of the Trojan nickel mine and as a result the Group acquired an 85 per cent interest in the mine. The work done on the property has led to the decision

to acquire an option over another nickel deposit near Shamva, and to investigate the nickel potential of six additional areas over which exclusive prospecting rights have been obtained.

A diamond drilling programme has been mounted on parts of the Great Dyke which extends north and south for 300 miles through Rhodesia. The drilling is part of a detailed geological and metallurgical study being made by the Group on concessions held on the Dyke. The areas at Urungwe covered by exclusive prospecting orders are being investigated by geo-chemical methods and limited diamond drilling. Shaft sinking on a small gold proposition in the Umtali district has been stopped, and following a metallurgical assessment of bulk samples the property has now been put on a care-and-maintenance basis. E.M.A. Rhodesia Limited has been prospecting for base metals in Angola for some years, and has found encouraging indications of copper in the Alto Zambeze district. Further trenching and drilling is being undertaken to evaluate the potential more accurately.

In Canada, Anmercosa Canadian Exploration Limited concentrated its activities in the Timmins area of northern Ontario, where results have been disappointing, and also participated in a number of ventures in Ontario and Quebec. In north-western Quebec, the joint programme with Hudson Bay Exploration and Development Company Limited continued and certain geo-physical targets were tested by diamond drilling, with negative results. Test work on the claims under option in Rouyn Township, in the Noranda area of Quebec, was completed and the option was dropped. A new joint programme was begun with Hudson Bay Exploration and Development Company, primarily directed towards a search for uranium in Ontario. Several radioactive anomalies were located, and diamond drilling carried out on one of these anomalies revealed uranium mineralization in sub-economic amounts.

In the United States, Anglo American Corporation of South Africa (North America) Limited continued its participation in a syndicate which has been drilling in the Verde Valley, Arizona. Work has revealed no significant mineralization and the company has indicated that it will no longer be an active participant. The company maintained its position in DeNiza Mining Corporation which continued regional exploration and investigations in the south-western states.

In Australia the prospecting activities of Charter Consolidated and its partners have not yet established any economic deposits. At Kalgoorlie South in Western Australia, an encouraging gold value was encountered in one of the boreholes sunk in an attempt to discover an extension of the gold-bearing lodes of the Golden Mile. Although this value taken in isolation may not necessarily be significant, further investigation of the intersection is being made. In the Fraser Range area, also in Western Australia, various base metal anomalies are being examined.

Charter Consolidated has taken up a 50 per cent interest in a

Malaysian company (Klian Langkasuka Berhad) formed in association with Jardine Waugh to carry out prospecting, mainly for tin, in the state of Kedah. The first result of this association is the formation with Jardine Waugh and Malay interests of a small mining company (Klian Kedah Serdang Berhad), in which Charter Consolidated will hold a 37½ per cent interest, to develop a drag-line operation in the Serdang West area. Charter Consolidated is also participating in prospecting operations in other Malaysian states through its interest in Associated Mines (Malaya) Limited.

Directorate

Members were advised in the 1965 annual report of the appointments of Mr H. MacConachie and Mr G. C. Fletcher, M.C., to the board, and of the death of Mr W. Marshall Clark, O.B.E.

Dr M. H. de Kock, who was appointed a director in January, 1964, resigned from the board on 30th April, 1967, as he felt compelled to reduce his commitments outside the Cape Town area where he now resides. His exceptional knowledge of financial affairs was of great value to the Corporation.

In terms of the Corporation's articles of association, Sir Keith Acutt, K.B.E., Mr D. O. Beckingham, Mr E. T. S. Brown, Mr P. H. A. Brownrigg, C.M.G., D.S.O., O.B.E., Mr C. W. Engelhard, Mr P. J. Oppenheimer and the Hon. H. A. V. Smith retire from the board by rotation at the forthcoming annual general meeting and being eligible offer themselves for re-election.

We regret to record the death of Mr P. D. de Kock on 11th January, 1967, and of Mr C. R. Anderson and Mr V. D. Edkins on 13th March, 1967. The deceased were all managers and alternate directors of the Corporation. The late Mr de Kock was a director of several of the Corporation's subsidiary companies.

In terms of the Companies Act, we give below details of changes in the boards of the Corporation's subsidiary companies:

African Loans and Investments Limited

Mr D. B. Hoffe resigned from the board on 17th January, 1966, and on 18th January, 1966, Mr F. J. A. Howard was appointed a director. On 23rd February, 1967, Mr G. H. Waddell was appointed to the board.

Anglo American Corporation (Australia) Limited

Mr W. R. M. Irvine, Mr S. W. C. Macindoe and Mr R. H. Y. Syme resigned from the board on 11th July, 1966, on which date Mr C. B. Edwards and Mr D. W. Moss were appointed directors.

Anglo American Corporation (Central Africa) Limited

Following an amendment to the company's articles of association increasing the maximum number of directors to 14, Mr K. T. Malinki, Mr D. A. R. Phiri and Mr O. T. Phillips were appointed directors on 1st January, 1967.

Anglo American Corporation of South Africa (North America) Limited

On 8th July, 1966, Mr B. T. A. Hone was appointed a director and a vice-president, and Mr C. J. L. Griffith resigned his position as a director on 1st December, 1966.

Anglo American International Services (Proprietary) Limited

This company was incorporated on 25th March, 1966, with Mr J. W. Turnbull and Mr R. J. Friel as the first directors. On 22nd April, 1966, Sir Keith Acutt, Mr C. P. S. Allen, Mr E. N. Cathrine, Mr H. St Leger Grenfell, Mr J. Ogilvie Thompson and the late Mr P. D. de Kock were appointed directors. On 25th May, 1966, Mr J. W. Turnbull and Mr R. J. Friel resigned from the board.

Anglo American International (U.K.) Limited

The company was incorporated on 17th March, 1966, with Mr C. P. S. Allen, Mr L. J. Burke, Mr J. E. Dexter, Mr H. St Leger Grenfell, Mr H. Holmes, Mr M. Hunter and Mr J. A. Pateman as the first directors. All these directors resigned on 26th April, 1966, and on that date Sir Keith Acutt, Mr N. K. Kinkead-Weekes, Mr H. MacConachie, Mr H. F. Oppenheimer, Mr S. D. H. Pollen, The Hon. H. A. V. Smith and Mr W. D. Wilson were appointed directors. Dr M. G. M. Atmore joined the board on 22nd December, 1966.

Anglo American Northern Properties Limited

Mr E. R. Denman resigned from the board on 1st February, 1966, and Mr M. B. Hofmeyr was appointed a director on that date.

Anglo American Prospecting Company Limited

On 1st January, 1966, Mr H. MacConachie was appointed a director and Mr G. H. Waddell joined the board on 19th April, 1966.

Anglo American Prospecting Company (South) Limited

Mr G. H. Waddell was appointed a director on 15th April, 1966.

Anmercosa Broking Agencies (Proprietary) Limited

Mr G. H. Waddell was appointed a director on 23rd February, 1967.

Anmercosa Land and Estates Limited

Mr J. Ogilvie Thompson and the late Mr P. D. de Kock were appointed directors of the company on 1st January, 1966. Mr

J. H. Smith and Mr J. M. F. Phillimore resigned from the board on 16th February, 1967, and on 17th February, 1967, Mr C. J. L. Griffith, Sir Albert Robinson and Mr J. A. Sinclair were appointed directors.

Anmercosa Overseas Service (U.K.) Limited

The company was incorporated on 27th April, 1966, as A.A.I. (U.K.) Limited, the name being changed to its present style on 28th October, 1966. The first directors appointed were Mr E. N. Cathrine, Mr H. St Leger Grenfell, Mr N. K. Kinkead-Weekes and Mr B. W. Pain, and on 7th June, 1966, Mr D. A. Etheredge was appointed to the board.

Consolidated Mines Holdings (Rhodesia) Limited

Sir Keith Acutt and Mr E. S. Newson were appointed directors with effect from 1st April, 1966.

The directors of the Corporation wish to thank all members of the staff of its various offices for the loyal and efficient service given throughout the year.

CHAIRMAN'S STATEMENT A statement by the Chairman of the Corporation, Mr H. F. Oppenheimer, is enclosed with this report.

H. F. OPPENHEIMER, *Chairman*
KEITH ACUTT
D. O. BECKINGHAM
E. T. S. BROWN
P. H. A. BROWNRIGG
FREDERICK CRAWFORD
P. V. EMRYS-EVANS
C. W. ENGELHARD
G. C. FLETCHER
R. B. HAGART
H. C. KOCH
H. MacCONACHIE
P. J. OPPENHEIMER
S. D. H. POLLEN
G. W. H. RELLY
ALBERT ROBINSON
M. W. RUSH
J. W. SHILLING
H. A. V. SMITH
S. SPIRO
W. D. WILSON

Directors

JOHANNESBURG
3rd May, 1967

Accounts

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Auditors' report

To the members,
Anglo American Corporation of South Africa Limited

We have examined the books, accounts and vouchers of the Corporation and have satisfied ourselves of the existence of the securities. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion proper books of account have been kept by the Corporation, so far as appears from our examination of those books, and proper returns, adequate for the purpose of our audit, have been received from the Corporation's London and Salisbury offices.

The attached balance sheet and profit and loss account are in agreement with the books of account and returns. In our opinion, and to the best of our information and according to the explanations given to us, the said accounts, read in conjunction with the notes that follow the accounts, give the information required by the Companies Act, 1926, as amended, in the manner so required, the balance sheet gives a true and fair view of the state of the Corporation's affairs as at 31st December, 1966, and the profit and loss account gives a true and fair view of the profit for the year ended on that date.

We have also examined the annexed consolidated balance sheet and consolidated profit and loss account of the Corporation and its subsidiary companies with the audited accounts of those companies. In our opinion such consolidated accounts have been properly prepared in accordance with the provisions of the Companies Act, 1926, as amended, so as to give a true and fair view respectively of the state of affairs and of the profit of the Corporation and its subsidiaries so far as concerns the members.

ALEX. AIKEN & CARTER
GOLDBY, PANCHAUD & WEBBER *Chartered Accountants (S.A.)*

JOHANNESBURG
3rd May, 1967

Features of the consolidated accounts

	1966	1965	1964
	R	R	R
Issued ordinary capital and reserves	204,685,000	189,230,000	175,402,000
Book value of quoted investments	140,851,000	136,647,000	140,507,000
Market value of quoted investments	451,595,000	390,362,000	374,110,000
Book value of unquoted investments	38,509,000	31,641,000	27,055,000
Equity earnings after taxation	30,536,000	28,941,000	27,174,000
Equity earnings per share	238 cents	227 cents	214.6686
Dividend per ordinary share	130 cents	130 cents	120.1000
Total ordinary dividend	16,648,000	16,000,000	16,219,000
Number of issued ordinary shares	12,808,230	12,733,304	12,674,640

Consolidated balance sheet 31st December, 1966

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED AND SUBSIDIARY COMPANIES

1965					
R	R	R	R	R	R
14,000,000				14,000,000	
1,241,000				1,241,000	
4,759,000				4,759,000	
	<u>20,000,000</u>				<u>20,000,000</u>
12,735,000				12,808,000	
4,759,000				4,759,000	
	<u>17,494,000</u>				<u>17,567,000</u>
68,921,000				70,416,000	
	<u>8,490,000</u>				<u>8,490,000</u>
60,431,000					61,926,000
285,000					285,000
	<u>113,519,000</u>				<u>127,019,000</u>
2,259,000					2,647,000
	<u>115,778,000</u>				<u>129,666,000</u>
193,988,000					209,444,000
5,995,000				4,294,000	
2,040,000				3,424,000	
	<u>8,035,000</u>				<u>7,718,000</u>
116,000					113,000
202,139,000					217,275,000
3,623,000					3,601,000
	<u>113,620,000</u>				<u>117,094,000</u>
10,340,000				10,398,000	
778,000				1,353,000	
5,607,000				4,936,000	
	<u>16,725,000</u>				<u>16,687,000</u>
<u>R336,107,000</u>					<u>R354,657,000</u>

J. T. Goldfinch, *Secretary*
A. W. Mollatt, *Treasurer*

Johannesburg, 3rd May, 1967

For notes see pages 42 and 43

Directors: H. F. Oppenheimer
Keith Acutt
R. B. Hagart

Consolidated profit and loss account for the year 1966

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED AND SUBSIDIARY COMPANIES

	R	R	1965	R	R
Income from interest, fees and other sources after deducting administration expenses	15,676,000			14,035,000	
Income from investments	26,567,000			25,417,000	
<i>Surplus on realization of investments, less amounts written off investments</i>	—			1,013,000	
Surplus on sale of fixed property lease	1,000,000			—	
<i>Deduct:</i>					
Interest paid:					
Five per cent registered bonds	398,000			408,000	
Five-and-three-quarter per cent registered unsecured notes	6,000			7,000	
Loans by associated companies and others	5,651,000			5,890,000	
	6,055,000			6,305,000	
Expenditure on office, research and transport equipment	691,000			332,000	
Contributions to staff pension funds	781,000			605,000	
Amounts written off investments, less surplus on realization of investments	909,000			—	
Costs of prospecting	1,610,000			1,905,000	
<i>Provision against loans</i>	—			50,000	
	10,046,000			9,197,000	
Group profit, before taxation	33,197,000			31,268,000	
Provision for taxation (note 9)	2,165,000			1,831,000	
Group profit, after taxation	31,032,000			29,437,000	
<i>Deduct:</i>					
Minority interests in subsidiary companies	210,000			210,000	
Group profit, after taxation, attributable to Anglo American Corporation of South Africa Limited	30,822,000			29,227,000	
Appropriations					
Dividends:					
<i>On preferred stock:</i>					
No. 74 of three per cent, declared 9th June, 1966	143,000			143,000	
No. 75 of three per cent, declared 8th December, 1966	143,000			143,000	
<i>On ordinary shares:</i>					
No. 60 (interim) of 50c per share, declared 22nd September, 1966	6,393,000			6,358,000	
No. 61 (final) of 80c per share, declared 23rd March, 1967 (note 10)	10,255,000			10,197,000	
	16,934,000			16,841,000	
General reserve	13,500,000			12,500,000	
	30,434,000			29,341,000	
	388,000			—114,000	
<i>Add: Unappropriated profit, 31st December, 1965</i>	2,259,000			2,373,000	
Unappropriated profit, 31st December, 1966	R2,647,000			R2,259,000	

For notes see pages 42 and 43

Profit and loss account for the year 1966

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED

			1965	
			R	R
Income from interest, fees and other sources after deducting administration expenses	.. .. .. .. ..	13,054,000		11,592,000
Income from investments	.. .. .. .. ..	23,009,000		22,813,000
Surplus on sale of fixed property lease	.. .. .. .. ..	<u>1,000,000</u>		—
		37,063,000		<u>34,405,000</u>
<i>Deduct:</i>				
Interest paid:				
Five per cent registered bonds	.. .. .. .. ..	398,000		408,000
Five-and-three-quarter per cent registered unsecured notes	.. ..	6,000		7,000
Loans by associated companies and others	.. .. .. ..	<u>5,588,000</u>		<u>5,662,000</u>
		5,992,000		6,077,000
Expenditure on office, research and transport equipment..	.. ..	582,000		279,000
Contributions to staff pension funds	.. .. .. ..	695,000		526,000
Amounts written off investments, less surplus on realization of investments	.. .. .. .. ..	118,000		41,000
Costs of prospecting	.. .. .. .. ..	<u>1,227,000</u>		<u>1,529,000</u>
		8,614,000		8,452,000
Profit, before taxation	.. .. .. .. ..	28,449,000		25,953,000
Provision for taxation (note 9)	.. .. .. .. ..	<u>1,453,000</u>		<u>1,206,000</u>
Profit, after taxation	.. .. .. .. ..	26,996,000		24,747,000
Appropriations				
Dividends:				
<i>On preferred stock:</i>				
No. 74 of three per cent, declared 9th June, 1966	.. .. .. ..	143,000		143,000
No. 75 of three per cent, declared 8th December, 1966	.. .. .. ..	143,000		143,000
<i>On ordinary shares:</i>				
No. 60 (interim) of 50c per share, declared 22nd September, 1966	..	6,393,000		6,358,000
No. 61 (final) of 80c per share, declared 23rd March, 1967 (note 10)	..	<u>10,255,000</u>		<u>10,197,000</u>
		16,934,000		16,841,000
General reserve	.. .. .. .. ..	<u>10,000,000</u>		<u>8,000,000</u>
		26,934,000		24,841,000
		62,000		—94,000
<i>Add:</i> Unappropriated profit, 31st December, 1965	.. .. .. ..	715,000		809,000
Unappropriated profit, 31st December, 1966	.. .. .. ..	<u>R777,000</u>		<u>R715,000</u>

For notes see pages 42 and 43

Balance sheet 31st December, 1966

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED

1965	R	R	R
14,000,000			
1,241,000			
4,759,000			
	<u>20,000,000</u>		
12,735,000			
4,759,000			
	<u>17,494,000</u>		
68,921,000			
			17,567,000
93,000,000			
715,000			
	<u>93,715,000</u>		
180,130,000			
			191,760,000
5,995,000			
2,040,000			
	<u>8,035,000</u>		
116,000			
	<u>188,281,000</u>		
3,028,000			
108,599,000			
	<u>111,627,000</u>		
10,340,000			
375,000			
3,713,000			
	<u>14,428,000</u>		
			14,726,000
Capital			
Authorized:			
14,000,000 ordinary shares of R1 each	.. .. ..	14,000,000	
1,241,250 six per cent cumulative preference			
shares of R1 each		1,241,000	
R4,758,750 six per cent cumulative preferred stock ..		4,759,000	
		<u>20,000,000</u>	
Issued:			
12,808,230 ordinary shares of R1 each, fully paid (note 1)		12,808,000	
R4,758,750 six per cent cumulative preferred stock ..		4,759,000	
		<u>17,567,000</u>	
Share premium (note 2)			70,416,000
Revenue reserves (note 3)			
General reserve		103,000,000	
Unappropriated profit		777,000	
		<u>103,777,000</u>	
Five per cent registered bonds (note 4)			
With subscription or conversion rights exercisable			
up to 31st December, 1967		4,294,000	
Repayable 1971/1974		3,424,000	
		<u>7,718,000</u>	
Five-and-three-quarter per cent registered			
unsecured notes (note 5)			113,000
			<u>199,591,000</u>
Loans			
Subsidiary companies		2,959,000	
Associated companies and others		108,480,000	
			<u>111,439,000</u>
Creditors			
Preferred stock dividend No. 75 and ordinary			
dividend No. 61		10,398,000	
Taxation		639,000	
Sundry		3,689,000	
			<u>14,726,000</u>
<u>R314,336,000</u>			
			<u>R325,756,000</u>

J. T. Goldfinch, *Secretary*
A. W. Mollatt, *Treasurer*

Johannesburg, 3rd May, 1967

	R	R	1965	R	R
Investments in subsidiary companies					
Unquoted shares at cost, less amounts written off	58,770,000		58,720,000	
Loans	<u>9,425,000</u>		<u>8,967,000</u>	
		68,195,000			67,687,000
Other investments					
At cost, less amounts written off					
Quoted	83,971,000		83,271,000	
Market value R325,182,000 (1965 : R277,096,000)					
Unquoted	<u>23,781,000</u>		<u>18,999,000</u>	
		107,752,000			102,270,000
Loans					
Associated companies and others, less provision	68,233,000			36,158,000
Debtors and cash					
Debtors	6,780,000		5,267,000	
Cash on deposit, at call and short notice and on hand	<u>74,796,000</u>		<u>102,954,000</u>	
		81,576,000			108,221,000
Office, research and transport equipment					
At nominal value, R1 (1965 : R1) (note 3)	—		—	—
			R325,756,000		R314,336,000

For notes see pages 42 and 43

Directors: H. F. Oppenheimer
Keith Acutt
R. B. Hagart

Notes on the accounts

The accounts should be read in conjunction with the following notes:

1. Share capital

There are in reserve:

1,191,770 ordinary shares of R1 each.

1,241,250 six per cent cumulative preference shares of R1 each.

Of the ordinary shares, 184,086 are reserved to cover the subscription/conversion rights of holders of five per cent registered (Swiss) bonds (see note 4). The remaining 1,007,684 ordinary shares (subject to certain conditions of issue of the bonds) and the preference shares are, in terms of resolutions of members, under the unrestricted control of the directors.

2. Share premium

The increase of R1,495,000 in the balance on this account represents a premium of R20.50 per share on 72,926 shares issued during the year to holders of 10,418 five per cent registered bonds who exercised their subscription/conversion rights, at the rate of seven shares per bond.

3. Revenue reserves

As the value of office, research and transport equipment is not readily ascertainable, the revenue reserves do not take into account the excess of the value of this asset over the nominal values stated.

4. Five per cent registered bonds

		Rand equivalent (converted at Swiss francs 6.125 to the rand)
Amount of loan	47,272,000	R7,718,000
Represented by: 47,272 bonds of	1,000 each	R163.265 each

Holders of the bonds have the right, which expires on 31st December, 1967, either to subscribe for or to convert their bonds into fully paid ordinary shares in the Corporation at the rate of seven shares per bond, at a price of R22 per share. On conversion the remaining R9.265 per bond is paid to the bondholder.

The subscription/conversion right attaches to 26,298 bonds as from 1st January, 1967. This is arrived at as follows:

Bonds with subscription/conversion rights at 1st January, 1966	36,716
Bonds on which rights exercised during year, at the rate of seven shares per bond, at a price of R21.50 per share, by	
Subscription	8,479
Conversion	1,939
	<u>10,418</u>
Bonds with subscription/conversion rights at 1st January, 1967	<u>26,298</u>

Bonds not converted are redeemable at par in four annual instalments on 15th July in each of the years 1971 to 1974.

5. Five-and-three-quarter per cent registered unsecured notes

The notes are repayable at par plus accrued interest on 31st March, 1982, unless previously purchased or redeemed in accordance with the note conditions.

6. Contingent liabilities and commitments

(a) There are contingent liabilities in respect of:

- (i) A guarantee with others to a diamond mining company in respect of an agreement which that company has with The Diamond Corporation Limited. The Corporation's liability has, however, been fully counter-guaranteed.
- (ii) Guarantees jointly and severally with De Beers Consolidated Mines Limited in respect of the servicing and repayment of foreign loans to Highveld Steel and Vanadium Corporation Limited of 100,000,000 Deutsche marks (1965: D.M. 100,000,000) and 60,000,000 Swiss francs. The servicing and repayment of the loans are covered by forward exchange contracts with the South African Reserve Bank.
- (iii) A guarantee with others to the Amsterdamsche Bank N.V. in respect of capital and interest on a sterling loan of £1,000,000 (1965: £1,250,000) to Anglo American Rhodesian Development Corporation Limited.
- (iv) A guarantee of R800,000 (1965: R1,025,000) to a building society in respect of housing loans to a mining company.
- (v) A guarantee with others to First National City Bank in respect of capital and interest on a loan of United States \$14,000,000 (1965: \$14,000,000) to an associated company.
- (vi) Guarantees for the fulfilment of other contractual obligations.
- (vii) A guarantee by a subsidiary company with another for an amount of R2,830,000 due by an associated company.

(b) There are commitments in respect of undertakings to subscribe or procure subscriptions for shares in and to make loans to other concerns.

7. Property, mineral rights, prospecting expenditure and equipment

The amount of R7,681,000 shown on the consolidated balance sheet under this heading comprises the following:

	1966	1965
	R	R
Fixed assets (note 11)—land, buildings and fixed improvements at cost, or net book value		
1st January, 1953	6,674,000	6,599,000
Mining and other properties, mineral rights, trading rights and prospecting expenditure at cost less amounts written off	1,007,000	787,000
Office, research and transport equipment—at nominal value R7 (1965 : R7) (note 3)	—	—
	<u>R7,681,000</u>	<u>R7,386,000</u>

8. Directors' remuneration

The aggregate amount payable to directors by the Corporation and its subsidiary companies is as follows:

	1966	1965
	R	R
Directors' fees	74,000	74,000
Other emoluments	542,000	481,000
	<u>R616,000</u>	<u>R555,000</u>
Pensions of past directors for services in a managerial capacity	<u>R13,000</u>	<u>R12,000</u>

9. Provision for taxation

Taxation has been provided as follows:

	1966		1965	
	Anglo American Corporation	Group	Anglo American Corporation	Group
	R	R	R	R
South African ..	1,120,000	1,342,000	820,000	1,047,000
Foreign ..	367,000	883,000	393,000	794,000
	<u>1,487,000</u>	<u>2,225,000</u>	<u>1,213,000</u>	<u>1,841,000</u>
Net adjustment in respect of previous year	<u>34,000</u>	<u>60,000</u>	<u>7,000</u>	<u>10,000</u>
	<u>R1,453,000</u>	<u>R2,165,000</u>	<u>R1,206,000</u>	<u>R1,831,000</u>

10. Final ordinary dividend (No. 61) for 1966

Since the close of the financial year and up to the date of declaration of the final ordinary dividend, i.e. 23rd March, 1967, 10,892

ordinary shares have been subscribed by holders of five per cent registered (Swiss) bonds. In terms of the conditions of issue of the bonds these new shares rank for the final dividend for 1966. The dividend has accordingly been provided on 12,819,122 shares as compared with 12,808,230 shown on the balance sheet.

11. Depreciation

No depreciation has been written off fixed assets during the year (note 7).

12. Currency conversion

Foreign currencies have been converted as follows:

Swiss francs—6.125 to the rand.

British, Rhodesian and Zambian pounds—£1 equals two rand.

Australian dollars—\$1.25 to the rand.

United States dollars—\$1.40 to the rand.

The servicing and redemption of the five per cent registered bonds (47,272,000 Swiss francs) are covered by forward exchange contracts with the South African Reserve Bank.

**Financial statistics from the consolidated accounts
for the ten years to 1966**

	Number of issued ordinary shares	Issued ordinary capital and reserves	Investments		Equity earnings after taxation	Equity earnings per share	Dividend per ordinary share	Total ordinary dividend
			Book value	Market value*				
		R	R	R	R	cents	cents	R
1957	9,560,636	72,034,000	89,477,000	160,379,000	9,718,000	102	80	7,674,000
1958	9,918,422	80,927,000	102,678,000	210,639,000	14,077,000	142	80	8,162,000
1959	10,448,172	95,584,000	116,116,000	280,784,000	15,176,000	145	90	9,477,000
1960	10,587,002	103,585,000	116,678,000	221,350,000	15,403,000	145	90	9,525,000
1961	10,611,936	110,905,000	118,646,000	232,052,000	16,628,000	157	90	9,585,000
1962	11,083,869	125,540,000	134,669,000	290,376,000	19,279,000	173	100	11,034,000
1963	12,643,471	162,814,000	161,293,000	361,518,000	23,358,000	185	100	12,643,000
1964	12,674,040	175,402,000	167,562,000	401,165,000	27,174,000	214	120	15,213,000
1965	12,735,304	189,229,000	170,188,000	419,893,000	28,941,000	227	130	16,555,000
1966	12,808,230	204,685,000	179,360,000	490,104,000	30,536,000	238	130	16,648,000

*Including unquoted investments at book value

Profile of the Group

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Gold, Far West Rand and Klerksdorp	59
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Copper	66
Coal	68
Other mining	70
Industrial	71

De Beers Consolidated Mines

Market value of share capital R913,000,000

Produces natural and synthetic diamonds, co-ordinates the marketing of diamonds produced by the *De Beers* group and other producers, and has diversified investments outside the diamond industry. At end-1966 the non-diamond investments and net current assets were valued at R528,000,000.

Anglo American Investment Trust

Market value of share capital R254,700,000

Major shareholdings in *De Beers Consolidated Mines* and diamond trading companies.

West Rand Investment Trust

Market value of share capital R112,800,000

Substantial interests in gold and gold-uranium mines of the western Transvaal and in *West Witwatersrand Areas Limited*. Major holdings are in *Buffelsfontein*, *Hartebeestfontein*, *Vaal Reefs*, *West Driefontein*, *Western Deep Levels*, *Western Reefs* and *Kloof*.

Orange Free State Investment Trust

Market value of share capital R110,500,000

Substantial holdings in all gold mines in the Orange Free State, principally *Free State Geduld*, *President Brand*, *President Steyn*, *St Helena*, *Welkom* and *Western Holdings*.

Vereeniging Estates

Market value of share capital R50,900,000

Owes properties and mineral and coal rights in the Transvaal and Orange Free State. Substantial interests in coal mining. Subsidiaries include *Amalgamated Collieries*, *Coronation*, *Springbok*, and *Vryheid Coronation*. Industrial interests include *Vereeniging Refractories* (a subsidiary), and *Anglo American Industrial Corporation*.

Anglo American Corporation of South Africa

Market value of share capital R493,300,000

VALUE OF INVESTMENTS INCOME FROM INVESTMENTS

	Percentage		Percentage
Gold	38	Gold	38
Diamonds	24	Diamonds	20
Platinum	1	Platinum	1
Copper	6	Copper	16
Coal	5	Coal	6
Other mining	3	Other mining	4
Industrial	19	Industrial	11
Finance	4	Finance	4
	100		100

Rand Selection Corporation

Market value of share capital R333,500,000

Finance and investment, with interests in many companies of the Group, including *Anglo American Corporation* itself, *Anglo American Industrial Corporation*, *Anglo American Investment Trust*, *Vereeniging Estates*, *South African Townships*, *Orange Free State Investment Trust*, *West Rand Investment Trust* and *Zambian Anglo American*. Also in *Carlton Centre*, *Highveld Steel* and *Vanadium*, *Swaziland Iron Ore Development Company* and *Western Deep Levels*. Other interests include *De Beers*, *Charter Consolidated*, *Johannesburg Consolidated Investment Company*, *Anglo American Corporation of Canada* and indirectly in *Rustenburg Platinum*.

Anglo American Industrial Corporation

Market value of share capital R117,300,000

Industrial finance and investment. Holdings in *De Beers Industrial Corporation*—which has a 42.5 per cent interest in *African Explosives*—*LTA*, *Vereeniging Refractories*, *Ropes and Mattings*, *S.A. Board Mills*, *Stewarts and Lloyds S.A.*, *Boat and Hard Metal Products S.A.*, *African Metals Corporation*, *Hulett's* and other companies. *Scaw Metals* is a subsidiary.

Structure of the Group

Charter Consolidated

Market value of share capital £103,300,000
Mining, finance and investment company. Percentage distribution of net assets on 31st March, 1966, was: mining finance 37.2; diamonds 3.3; gold 5.6; copper and other metals 13.2; industrial and commercial 25.8; oil 3.6; and long-term loans 2.0. Geographical distribution (per cent): South Africa 38.6; rest of Africa 12.9; North America 23.9; United Kingdom 18.2; elsewhere 6.4.

Anglo American Corporation of Canada

Value of investments \$78,000,000
Holds Canadian assets of the Anglo American Corporation, *De Beers* and *Charter Consolidated* groups. Principal holdings in *Hudson Bay Mining and Smelting Company* and *McIntyre Porcupine Mines*.

Zambian Anglo American

Market value of share capital £29,500,000
Major investments in Nchanga (which controls Bancroft) and Rhokana copper mines, and Rhokana Copper Refineries. Substantial interests in the Zambia Broken Hill lead and zinc mine and in the *Chambishi*, *Chibuluma* and *Mufulira* copper mines of the R.S.T. group. Other interests include Chartered Exploration and Northern Breweries.

Anglo American Corporation Rhodesia

Value of investments £18,000,000
Holds Rhodesian interests of Anglo American Corporation and *Charter Consolidated* groups in financial and investment companies; citrus and forestry estates; coal, nickel and gold mines; and industrial, prospecting and property concerns.

Boart and Hard Metal Products S.A.

Shareholders' interest R14,800,000
Manufactures a wide range of diamond and tungsten carbide tools and drilling equipment and undertakes drilling, tunnelling and construction operations under contract. Through subsidiaries and associates it operates in 21 countries.

Anglo American Corporation of South Africa is the head of a group that comprises a large number of companies which the Corporation administers, but which in most cases are not subsidiaries in the statutory sense. These companies fall into two main categories: the finance and investment companies, through which the majority of the Corporation's investments is held; and the mining, industrial and other operating companies. The Corporation also has substantial investments in a number of companies which it does not administer, the most important of these holdings being in *De Beers* Consolidated Mines and *Charter Consolidated*, with both of which the Corporation has close links derived from associations of many years' standing.

The structure of the Anglo American Corporation Group is outlined in the chart, which shows the significant shareholding relationships between the Corporation and the principal Group companies, and how the Group's interests in *De Beers* and *Charter Consolidated* are held. The more important holdings of these two companies in the Anglo American Corporation Group are also shown. The *De Beers* group holds an interest of more than 40 per cent in Rand Selection Corporation, and the *De Beers* and *Charter Consolidated* groups each hold an interest of approximately 25 per cent in Anglo American Corporation of Canada.

The brief descriptions of the companies in the chart are intended simply to indicate their relative size and principal interests or activities; market valuations are at 31st December, 1966.

Names of companies not administered within the Anglo American Corporation Group are printed in italics.

Detailed information on the interests of the Group is given in the following pages.

Interests of the Group

The Anglo American Corporation Group has a wide range of interests in financial, mining, industrial, prospecting and other companies. The Group holds a large investment in, or a significant proportion of the issued share capital of, the following companies. Subsidiaries of the Corporation are shown by an asterisk.

MINING FINANCE AND INVESTMENT

Administered within the Anglo American Corporation Group

African and European Investment Company Limited*
Anglo American Corporation (Australia) Limited*
Anglo American Corporation (Central Africa) Limited*
Anglo American Corporation of Canada Limited
Anglo American Corporation of South Africa (North America) Limited*
Anglo American Investment Trust Limited
Anseld Holdings (Proprietary) Limited
Appraised Securities Limited*
Blue Skies (Private) Limited*
Consolidated Mines Holdings (Rhodesia) Limited*
New Central Witwatersrand Areas Limited
New Rhodesia Investments Limited*
Orange Free State Investment Trust Limited
Overseas and Rhodesian Investment Company Limited
Rand Selection Corporation Limited
South African Mines Selection Limited*
South African Townships Mining and Finance Corporation Limited
Southvaal Holdings Limited
St Andrews Securities Limited
The New Era Consolidated Limited*
The Vereeniging Estates Limited
Western Ultra Deep Levels Limited
West Rand Investment Trust Limited
Zambian Anglo American Limited

Administered outside the Anglo American Corporation Group

Charter Consolidated Limited
General Mining and Finance Corporation Limited
Hollandstraat-ses Beleggings (Eiendoms) Beperk
Johannesburg Consolidated Investment Company Limited
Locana Mineral Holdings Limited
London and Rhodesian Mining and Land Company Limited
McIntyre Porcupine Mines Limited
Rand Mines Limited
Tanganyika Concessions Limited
Trans-Natal Coal Corporation Limited
Transvaal Consolidated Land and Exploration Company Limited
Transvaal and Delagoa Bay Investment Company Limited
U.C. Investments Limited
Union Investment Company
Virginia-Merriespruit Investments (Proprietary) Limited
West Witwatersrand Areas Limited

GOLD

Administered within the Anglo American Corporation Group

Daggafontein Mines Limited
East Daggafontein Mines Limited
Freddies Consolidated Mines Limited
Free State Geduld Mines Limited
Free State Saaiplaas Gold Mining Company Limited
Jeannette Gold Mines Limited
President Brand Gold Mining Company Limited
President Steyn Gold Mining Company Limited
Spes Bona Exploration and Mining Company Limited
The South African Land & Exploration Company Limited
Vaal Reefs Exploration and Mining Company Limited
Welkom Gold Mining Company Limited
Western Deep Levels Limited

Western Holdings Limited

Western Reefs Exploration and Development Company Limited
Administered outside the Anglo American Corporation Group
Blyvooruitzicht Gold Mining Company Limited
Bracken Mines Limited
Buffelsfontein Gold Mining Company Limited
Doornfontein Gold Mining Company Limited
Elsburg Gold Mining Company Limited
Harmony Gold Mining Company Limited
Hartebeestfontein Gold Mining Company Limited
Kloof Gold Mining Company Limited
Leslie Gold Mines Limited
Libanon Gold Mining Company Limited
Lorraine Gold Mines Limited
St Helena Gold Mines Limited
West Driefontein Gold Mining Company Limited
Western Areas Gold Mining Company Limited
Winkelhaak Mines Limited
Zandpan Gold Mining Company Limited

DIAMOND MINING AND TRADING

Administered outside the Anglo American Corporation Group

De Beers Consolidated Mines Limited
Industrial Distributors (1946) Limited
Industrial Grit Distributors (Shannon) Limited
The Diamond Corporation Limited
The Diamond Purchasing and Trading Company Limited
The Diamond Trading Company Limited

COPPER, BASE METALS AND MINERALS

Administered within the Anglo American Corporation Group

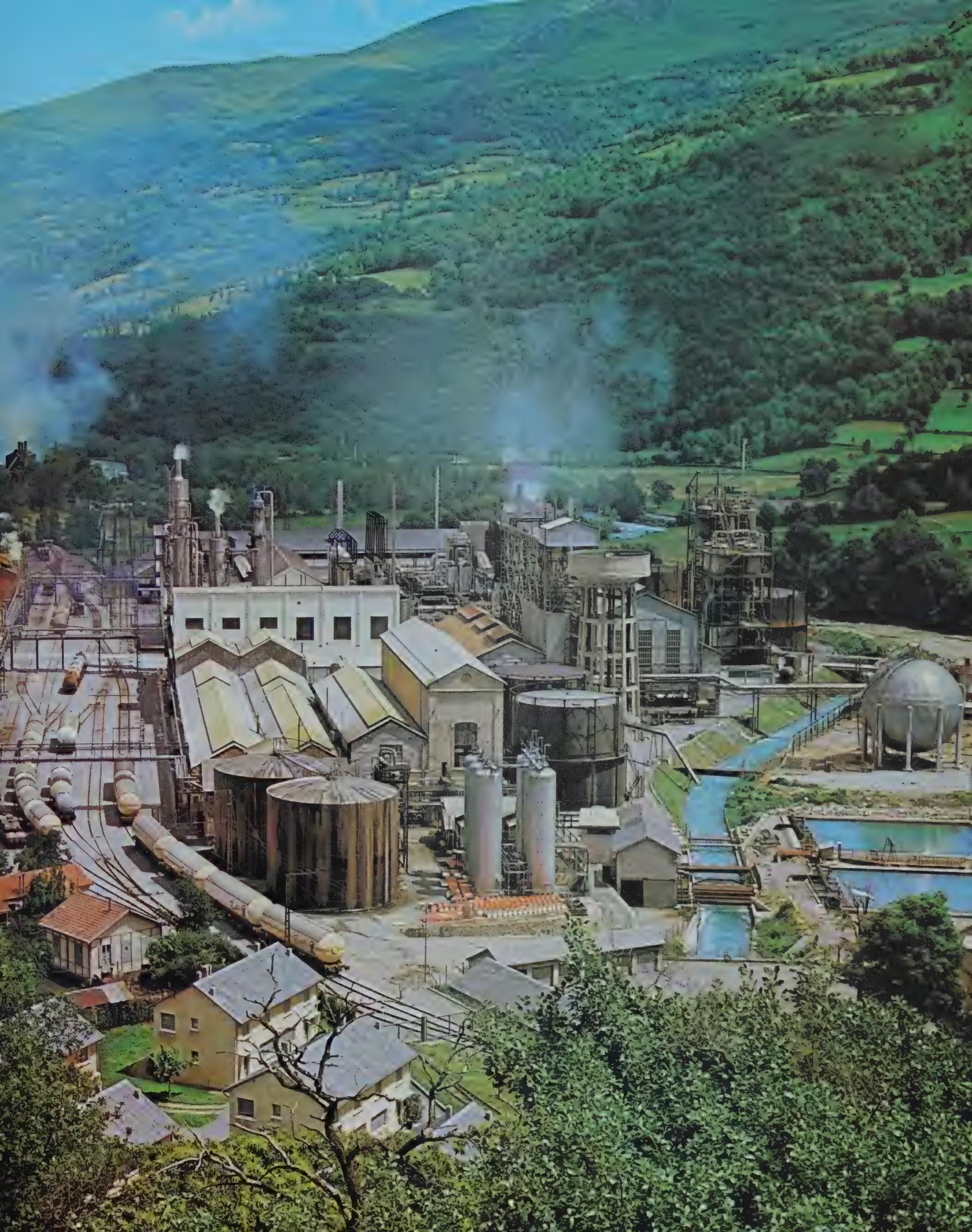
Anmercosa Sales Limited
Bancroft Mines Limited
Iron Duke Mining Company Limited
Kansanshi Copper Mining Company Limited
Nchanga Consolidated Copper Mines Limited
Rhokana Copper Refineries Limited
Rhokana Corporation Limited
Swaziland Iron Ore Development Company Limited
Trojan Nickel Mine (Private) Limited
The Zambia Broken Hill Development Company Limited
Umgababa Minerals Limited

Administered outside the Anglo American Corporation Group

Anglo Chemical and Ore Company Limited
Baluba Mines Limited
Chambishi Mines Limited
Chibuluma Mines Limited
Chisangwa Mines Limited
Falconbridge Nickel Mines Limited
Hudson Bay Mining and Smelting Company Limited
Mufulira Copper Mines Limited
Ndola Lime Company Limited
The Northern Lime Company Limited

The Soulim factory in the Lourdes region of the Pyrenees, France, where ammonia and its by-products are produced. The factory forms part of the Pierrefitte organization in which the Group is indirectly interested through its association with the Banque de Paris et des Pays-Bas.

Photograph: Cliche Uic (Eag Rabier)



Interests of the Group

The Associated Manganese Mines of South Africa Limited
The South West Africa Company Limited
Tsumeb Corporation Limited

COAL

Administered within the Anglo American Corporation Group

Amalgamated Collieries of South Africa Limited
Blesbok Colliery Limited
Coal and Allied Industries Limited
Coke Producers (Proprietary) Limited
Indumeni Coal Mines Limited
Ingagane Colliery (Proprietary) Limited
Natal Coal Exploration Company Limited
New Largo Colliery Limited
South African Coal Estates (Witbank) Limited
Springbok Colliery Limited
Springfield Collieries Limited
The Coronation Collieries Limited
Transvaal Coal Corporation Limited
Vierfontein Colliery Limited
Vryheid Coronation Limited
Wankie Colliery Company Limited
Witbank Coal Holdings Limited
Zuquinti Natal Collieries Limited

Administered outside the Anglo American Corporation Group

Apex Mines Limited
Balgray Collieries (Proprietary) Limited
Blinkpan Koolmyne Beperk
Natal Ammonium Collieries Limited
Natal Anthracite Colliery Limited
The Newcastle-Platberg Colliery Limited
Umgala Colliery (Proprietary) Limited
Witbank Colliery Limited

PLATINUM

Administered outside the Anglo American Corporation Group

Brakspruit Platinum (Proprietary) Limited
Lydenburg Platinum Limited
Platinum Prospecting Company (Proprietary) Limited
Potgietersrust Platinums Limited
Union Platinum Mining Company Limited
Waterval Rustenburg Platinum Mining Company Limited

PROSPECTING

Administered within the Anglo American Corporation Group

Anglo American Mineral Searches Limited
Anglo American Prospecting Company Limited*
Anglo American Prospecting Company (South) Limited*
Anglo American Prospecting Services (Proprietary) Limited
Anmercasa Canadian Exploration Limited
Chartered Exploration Limited
E.M.A. Rhodesia Limited

Kaffrarian Metal Holdings (Proprietary) Limited

Kimberlite Searches Limited

Middleridge Limited

Northridge Limited

Southridge Limited

Administered outside the Anglo American Corporation Group

Baffinland Iron Mines Limited

Cape Verde (Proprietary) Limited
Kasempa Minerals Limited
Mespi Mines Limited
Ocean Mining A.G.
Ocean Science and Engineering, Inc.

GENERAL INVESTMENT

Administered within the Anglo American Corporation Group
African Loans and Investments Limited*
Anglo American Corporation Rhodesia Limited
Epoch Investments Limited
Euranglo (Proprietary) Limited
Lydenburg Estates Limited*

Administered outside the Anglo American Corporation Group
First Union General Investment Trust Limited

BANKING AND TRUST COMPANIES

Administered within the Anglo American Corporation Group
Central Reserves (Proprietary) Limited
Central Reserves (Rhodesia) (Private) Limited
Central Reserves (Lusaka) Limited

Administered outside the Anglo American Corporation Group
Bahamas International Trust Company Limited
Banco Standard Totta de Mocambique
Banco Totta—Standard de Angola S.A.R.L.
British and Rhodesian Discount House Limited
Founders Building Society
National Finance Corporation of South Africa
Rhodesian Acceptances Limited
The Discount House of South Africa Limited
U.D.C. Bank Limited
Union Acceptances Limited

PROPERTY

Administered within the Anglo American Corporation Group
Anmercasa Land and Estates Limited*
Anglo American Northern Properties Limited*
Anglo American (O.F.S.) Housing Company Limited
Carlton Centre (Proprietary) Limited
Cecilia Park (Proprietary) Limited
Charter Properties (Private) Limited
Crescent Developments (Proprietary) Limited
Isipingo Property Investments Limited
Orange Free State Land and Estate Company (Proprietary) Limited
Sabel Developments (Proprietary) Limited

Administered outside the Anglo American Corporation Group
City Developments Limited
Prestin (Proprietary) Limited
The Ridgeway Hotel Limited

INDUSTRIAL

Administered within the Anglo American Corporation Group
Finance and investment
Anglo American Industrial Corporation Limited
Electro Chemical Industries Limited
Forest Industries and Veneers Limited
Mainstraat Beleggings (1965) (Eiendoms) Beperk

Agriculture and forestry	
Dewhurst Farms Limited	African Wire Ropes Limited
Eastern Forest Estates Limited	Cullinan Refractories Limited
Mazoe Citrus Estates Limited	Hall, Longmore and Company Limited
Peak Timbers Limited	Hogarths Limited
Rhodesia and Nyasaland Forest Enterprises (Private) Limited	Rheem South Africa (Proprietary) Limited
Simoona Estates Limited	Rhodesian Alloys (Private) Limited
Building, construction and related industries	R.M.B. Alloys (Proprietary) Limited
Amalgamated Construction Company Limited	Robor Limited
Amlew Limited	Scaw Metals Limited
Clay Products Limited	Stewarts and Lloyds of South Africa Limited
Stone and Allied Industries (O.F.S.) Limited	The Rhodesian Iron and Steel Company Limited
Food, fishing and sugar	The Southern Cross Steel Company (Proprietary) Limited
Cashew Investments Limited	The Union Steel Corporation (of South Africa) Limited
Hippo Valley Estates Limited	Union Carriage and Wagon Company (Proprietary) Limited
Industrias de Caju Mocita Limitada	Motor, transport and components
Industrias de Peixe Nossa Senhora de Fatima Limitada	McCarthy-Main Holdings Limited
Mozambique Fisheries Limited	Thompson Ramco S.A. (Proprietary) Limited
Iron, steel, engineering and related industries	Sundry
F.P.T. (Proprietary) Limited	J. L. Clark and Company Limited
Highveld Steel and Vanadium Corporation Limited	South African Board Mills Limited
Rhodesian Copper Products Limited	Textiles
Transalloys (Proprietary) Limited	Ferguson Shiers (Rhodesia) (Private) Limited
Transvaal Vanadium Company (Proprietary) Limited	Industex Limited
Vereeniging Refractories Limited	Ropes and Mattings Limited
Zinc Products Limited	SUNDRY COMPANIES
Sundry	Administered within the Anglo American Corporation Group
Boart and Hard Metal Products S.A. Limited	Anglo American Corporation Services Limited*
Deep Drilling Company Limited	Anglo American International Services (Proprietary) Limited*
Diacarb Limited	Anglo American International (U.K.) Limited*
Hard Metals Canada Limited	Anglo American Rhodesian Development Corporation Limited
Inpower Works (Proprietary) Limited	Anglo American (Rhodesian Services) Limited*
Rockbite Products Limited	Anmercosa Broking Agencies (Proprietary) Limited*
Shaft Sinkers (Proprietary) Limited	Anmercosa Overseas Service (U.K.) Limited*
Shannon Diamond and Carbide Limited	Pamelia Trawlers (Proprietary) Limited
Administered outside the Anglo American Corporation Group	Administered outside the Anglo American Corporation Group
Finance and investment	Consolidated Share Registrars Limited
De Beers Industrial Corporation Limited	Copperbelt Power Company Limited
Agriculture and forestry	Imex (Proprietary) Limited
Border Forests (Rhodesia) Limited	Industrial Development Corporation of Southern Rhodesia Limited
Mining Timbers Limited	Industrial Promotion Corporation Central Africa Limited
Breweries and wines	The Lourenco Marques Forwarding Company Limited
Northern Breweries Limited	Swaziland Development Corporation
The South African Breweries Limited	
Building, construction and related industries	
LTA Limited	
Plywoods Limited	
Premier Portland Cement Company (Rhodesia) Limited	
Zambia Clay Industries Limited	
Food and sugar	
African Products Manufacturing Company Limited	
Hulett's Sugar Corporation Limited	
Oranje Koekamers Beperk	
The Rhodesian Milling Company (Private) Limited	
Tiger Oats and National Milling Company Limited	
Vereeniging Consolidated Mills Limited	
Iron, steel, engineering and related industries	
African Metals Corporation Limited	

Finance and investment

Administered within the Anglo American Corporation Group

Anglo American Corporation of Canada Limited

The company was established in Toronto in 1966 to consolidate the Canadian interests of the Anglo American Corporation, De Beers and Charter Consolidated groups. Its net assets were worth \$80 million (Canadian) at 31st December, 1966, the most important being shareholdings in Hudson Bay Mining and Smelting Company Limited and McIntyre Porcupine Mines Limited.

Anglo American Corporation Rhodesia Limited

Nature of business: The company holds the Rhodesian interests of the Anglo American Corporation and Charter Consolidated groups

The company has a number of wholly owned subsidiary companies including:
 Anglo American Rhodesian Development Corporation Limited
 Iron Duke Mining Company Limited
 Eastern Forest Estates Limited
 Mazoe Citrus Estates Limited
 Simoona Estates Limited
 Rhodesia and Nyasaland Forest Enterprises (Private) Limited

The company and its subsidiaries have interests in:
 Finance and investment
 Coal, nickel and gold mining
 Iron, steel, ferro-chrome and other fields of industry
 Citrus, sugar, general agriculture, milling and forestry
 Property
 Prospecting
 Rolling stock hire

Anglo American Industrial Corporation Limited

Nature of business: The company was formed to consolidate the industrial holdings of the Anglo American Corporation Group and plays an active role in the provision of capital for industrial projects.

Year ended 30th June, 1966.

Issued share capital: *R16,182,000 in 13,485,000 ordinary shares of R1 each and 2,697,000 deferred 'A' shares of R1 each.

Total share capital and reserves (consolidated): R80,356,000.

	1966	1965
Book cost of unquoted investments	R14,373,000	R10,366,000
Book cost of quoted investments	R43,735,000	R43,168,000
Market value of quoted investments	R64,718,000	R66,629,000
Fixed assets owned by subsidiaries	R10,524,000	R9,598,000
Net premium on acquisition of subsidiaries	R13,002,000	R13,002,000
Consolidated profit before taxation	R8,407,000	R8,748,000
Taxation	R1,616,000	R1,677,000
Consolidated profit after taxation and deduction of minority interests	R6,548,000	R6,795,000

The Corporation has indirect interests in a large number of companies through its shareholdings in finance and investment companies. Particulars of the principal finance and investment companies in which the Corporation holds shares and which are administered within the Anglo American Corporation Group are given below, together with the more important finance and investment companies with which the Corporation is closely associated but which are administered outside the Group.

	1966	1965	Shares held	Percentage
Dividends:				
Amount paid.....	R4,045,000	R4,045,000		
Per ordinary share.....	30c	30c		
<i>* In November, 1966, the corporation allotted the 2,697,000 deferred 'A' shares referred to above as a result of an offer of one deferred share for every five ordinary shares held. The deferred 'A' shares will not rank for dividend until 31st October, 1971.</i>				
At 30th June, 1966, the company's principal investments were as follows:				
	Shares held	Percentage		
Quoted investments				
BUILDING AND ALLIED INDUSTRIES				
LTA Limited.....	900,000	20.00		
IRON, STEEL AND ENGINEERING				
African Metals Corporation Limited.....	1,070,000	14.06		
Stewarts and Lloyds of South Africa Limited.....	1,983,416	14.74		
The Union Steel Corporation (of South Africa) Limited.....	3,800,000	13.10		
Vereeniging Refractories Limited.....	786,000	15.72		
METALS AND MINERALS				
The Associated Manganese Mines of South Africa Limited...	425,000	13.31		
CHEMICAL FINANCE				
De Beers Industrial Corporation Limited.....	2,900,000	26.36		
PAPER AND PACKAGING				
South African Board Mills Limited.....	2,500,000	27.55		
BREWERIES				
The South African Breweries Limited.....	352,050	3.14		
FOOD AND PRODUCE				
African Products Manufacturing Company Limited.....	320,000	10.55		
Hulett's Sugar Corporation Limited.....	2,000,000	11.76		
Tiger Oats and National Milling Company Limited.....	250,000	3.28		
TEXTILES				
Ropes and Mattings Limited....	960,000	23.26		
Unquoted investments				
IRON, STEEL AND ENGINEERING				
Highveld Steel and Vanadium Corporation Limited.....	1,449,000	14.49		
Mainstraat Beleggings (1965) (Eiendoms) Beperk.....	176,000	12.50		
R.M.B. Alloys (Proprietary) Limited.....	900,000	15.00		
The Southern Cross Steel Company (Proprietary) Limited	650,000	10.00		
Union Carriage and Wagon Company (Proprietary) Limited	2,833	0.42		
Zinc Products Limited.....	67,500	45.00		
MOTORS AND COMPONENTS				
McCarthy-Main Holdings Limited.....	882	25.00		
Thompson Ramco S.A. (Proprietary) Limited.....	562,500	45.00		
TUNGSTEN CARBIDE AND DIAMOND DRILLING				
Boart and Hard Metal Products S.A. Limited.....	384,750	33.17		
TEXTILES				
Industex Limited.....	1,273,217	37.45		
SUNDRY				
J. L. Clark and Company Limited.....	28,000	20.00		
SUBSIDIARY COMPANIES (WHOLLY OWNED)				
Scaw Metals Limited.....	3,500,000	—		
Orange Free State Land and Estate Company (Proprietary) Limited which has a wholly owned subsidiary company, Stone and Allied Industries (O.F.S.) Limited.....	3,500,000	—		
Details of certain of the company's major investments appear elsewhere in this report.				
Anglo American Investment Trust Limited				
Nature of business: Investment company with shareholdings in De Beers Consolidated Mines Limited and certain diamond trading companies.				
Year ended 31st December, 1966.				
Issued capital: R10,000,000 in 10,000,000 ordinary shares of 50 cents each and 2,500,000 six per cent cumulative preference shares of R2 each.				
Total share capital and reserves: R39,311,000.				
	1966	1965		
Book cost of unquoted investments.....	R11,337,000	R11,337,000		
Book cost of quoted investments.....	R19,633,000	R15,216,000		
Market value of quoted investments.....	R199,091,000	R136,836,000		
Net profit.....	R13,141,000	R11,126,000		
Dividends:				
Preference.....	R300,000	R300,000		
Ordinary (115c per share).....	R11,500,000	R10,000,000		
The company's investments at 31st December, 1966, were as follows:				
112,500 Boart and Hard Metal Products S.A. Limited				
7,598,867 De Beers Consolidated Mines Limited—deferred shares				
3,928,571 The Diamond Corporation Limited				
400,000 The Diamond Purchasing and Trading Company Limited				
222,009 The Diamond Trading Company Limited				
330,000 Industrial Distributors (1946) Limited—ordinary shares				
150,000 Industrial Distributors (1946) Limited—five per cent cumulative participating preference shares				
12,000 Industrial Grit Distributors (Shannon) Limited—ordinary shares				
R100,000 Rand Selection Corporation Limited—5½ per cent registered unsecured notes				
£375,375 Wankie Colliery Company Limited—5½ per cent first mortgage debenture stock				
Mainstraat Beleggings (1965) (Eiendoms) Beperk				
Nature of business: The company was formed in August, 1965, by Anglo American Corporation of South Africa Limited and the Federale Mynbou/General Mining group for the purpose of investing principally in the fields of steel, engineering and heavy industry. The company has a substantial interest in the equity of Stewarts and Lloyds of South Africa Limited and major shareholdings in Hall, Longmore and Company Limited and in Union Carriage and Wagon Company (Proprietary) Limited. In July, 1966, the company acquired an interest in Shaft Sinkers (Proprietary) Limited.				

Orange Free State Investment Trust Limited

Nature of business: Financial company with major shareholdings in gold mining companies in the Orange Free State, and various financial and other companies.

Year ended 31st December, 1966.

Issued capital: R10,943,406 in shares of R1 each.

Total share capital and reserves: R47,048,000.

	1966	1965
Book cost of quoted investments	R44,013,000	R43,958,000
Market value of quoted investments	R120,541,000	R132,971,000
Net profit	R10,268,000	*R8,292,000
Dividends:		
Amount paid	R7,660,000	R7,113,000
Per share	70c	65c

* After deducting R1,697,000 loss on realization of investment in Free State Saaiplaas Gold Mining Company Limited.

At 31st December, 1966, the company's shareholdings were as follows:

Gold producing

2,100,000	Free State Geduld Mines Limited
1,800,000	Harmony Gold Mining Company Limited
2,400,000	Loraine Gold Mines Limited
2,808,000	President Brand Gold Mining Company Limited
3,000,000	President Steyn Gold Mining Company Limited
1,925,000	St Helena Gold Mines Limited
2,450,000	Welkom Gold Mining Company Limited
1,575,000	Western Holdings Limited

Gold developing

165,726	Kloof Gold Mining Company Limited
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Financial

32,641	Anglo American Industrial Corporation Limited—ordinary
6,528	Anglo American Industrial Corporation Limited—deferred 'A'
40,000	Sentrust Beperk
200	Southvaal Holdings Limited
168,795	West Witwatersrand Areas Limited

Land, estate and other

10	Cape Verde (Proprietary) Limited
1,500,000	Jeannette Gold Mines Limited

Details of the company's major investments appear elsewhere in this report.

Rand Selection Corporation Limited

Nature of business: Financial and investment company with shareholdings in financial, gold, gold mining investment, diamond, copper and other base metal, coal, platinum, industrial and land and estate companies.

Year ended 30th September, 1966.

Issued capital: R17,017,682.50 in 34,035,365 shares of 50 cents each.

Total share capital and reserves (consolidated): R157,730,000.

Loan capital:

5½ per cent registered notes 1963/72	R1,536,000
Guaranteed unsecured registered debentures (U.S. dollar loans R3,589,000 repayable 14.6.1968, R17,850,000 repayable 14.6.1971)	R21,439,000
	<u>R22,975,000</u>

	1966	1965
Book cost of unquoted investments	R18,059,000	R15,549,000
Book cost of quoted investments	R149,594,000	R149,978,000
Market value of quoted investments	R374,822,000	R317,761,000
Consolidated profit before taxation	R17,770,000	R19,100,000
Taxation	R31,000	R15,000
Consolidated profit after taxation and deduction of minority interests	R17,640,000	*R18,981,000
Dividends:		
Amount paid	R12,763,000	R11,912,000
Per share	37.5c	35c

* Includes exceptional non-recurring profit of R2,130,000 on realization of investments.

At 30th September, 1966, the investments of the company and its subsidiaries were spread as follows:

	*Market value at 30th September, 1966	Percentage of total
Finance	R108,759,000	27.68
Diamonds	R45,451,000	11.57
Investment—gold mining	R56,441,000	14.36
Gold mines	R106,775,000	27.18
Platinum	R12,253,000	3.12
Companies principally interested in copper and other base metals	R15,877,000	4.04
Coal	R12,735,000	3.24
Industrial	R33,785,000	8.60
Land and estate	R805,000	0.21
	<u>R392,881,000</u>	<u>100.00</u>

* Unquoted investments have been taken at book cost.

South African Townships Mining and Finance Corporation Limited

Nature of business: Finance, investment and property-holding company.

Year ended 30th September, 1966.

Issued capital: R4,800,000 in shares of R1 each, 92.9 per cent held by Rand Selection Corporation.

Total share capital and reserves (consolidated):

	1966	1965
R8,902,000.		

	1966	1965
Book cost of unquoted investments	R685,000	R728,000
Book cost of quoted investments	R4,227,000	R4,227,000
Market value of quoted investments	R22,496,000	R21,730,000
Consolidated profit before taxation	R1,429,000	R1,464,000
Taxation	R31,000	R1,000
Consolidated profit after taxation	R1,398,000	R1,463,000
Dividends:		
Amount paid	R840,000	R840,000
Per share	17½c	17½c

Southvaal Holdings Limited

Issued capital: *R450 in 900 shares of 50 cents each, fully paid.

This company was registered on 8th December, 1966, with an authorized capital of R10,000,000 in 20,000,000 shares of 50 cents each.

It was formed as a finance company by the holders of the mineral rights of an area south of the Vaal

River opposite the property of Vaal Reefs Exploration and Mining Company Limited, which company has applied for a mining lease to mine the area in conjunction with its existing lease. It is estimated that the capital cost of the new mine will be in excess of R60 million, of which about half will be provided from savings in lease and tax payments accruing to Vaal Reefs from the capital expenditure incurred. The balance will be provided as to 22 per cent by Vaal Reefs and 78 per cent by Southvaal Holdings.

For this purpose Southvaal Holdings will raise R10,000,000 by an issue of its shares and will be provided with loan facilities of up to R15 million in the proportion of 65 per cent by Anglo American Corporation of South Africa Limited and 35 per cent by Union Corporation Limited.

Vaal Reefs will pay to Southvaal Holdings 60 per cent of the profits from the new area after provision for the repayment of loans from that company and for capital expenditure financed from profits.

* It has been announced that the company will in due course offer at par a total of 7,500,000 shares of 50 cents each to the mineral right holders or their nominees which will include shareholders of Free State Development and Investment Corporation Limited and Western Holdings Limited. Each share will carry an option to subscribe at par on or before 31st December, 1972, for one further share. In addition, 5,000,000 shares of 50 cents each will be subscribed at par by Anglo American Corporation of South Africa Limited and Union Corporation Limited, in consideration for the provision of loan facilities of R15 million.

The Vereeniging Estates Limited

Nature of business: The company owns property, mineral and coal rights in the districts of Vereeniging, Transvaal, and Heilbron, Orange Free State. In addition, the company has substantial investments in a number of gold and coal mining and industrial companies.

Year ended 31st December, 1966.

Issued capital: R5,500,000 in 2,750,000 stock units of R2 each.

Total capital and reserves (consolidated): R39,467,000.

	1966	1965
Book cost of trade investments	R650,000	R481,000
Book cost of unquoted investments	R2,005,000	R2,050,000
Book cost of quoted investments	R4,992,000	R4,508,000
Market value of quoted investments	R7,475,000	R6,945,000
Fixed assets, property, etc.	R39,266,000	R34,900,000
Net premium on acquisition of subsidiaries	R2,020,000	R2,005,000
Consolidated profit before taxation	R9,552,000	R9,702,000
Taxation	R1,799,000	R2,055,000
Consolidated profit after taxation and deduction of minority shareholders' interest	R4,843,000	R4,945,000
Dividends:		
Amount paid	R2,750,000	R2,750,000
Per unit of stock	100c	100c

The principal investments of the company at 31st December, 1966, were as follows:

Coal

Amalgamated Collieries of South Africa Limited
Blesbok Colliery Limited

Blinkpan Koolmyne Beperk
 Ingagane Colliery (Proprietary) Limited
 Natal Coal Exploration Company Limited
 South African Coal Estates (Witbank) Limited
 Springbok Colliery Limited
 The Coronation Collieries Limited
 Transvaal Coal Corporation Limited
 Umgala Colliery (Proprietary) Limited
 Zuinguin Natal Collieries Limited

Gold

President Brand Gold Mining Company Limited
 President Steyn Gold Mining Company Limited
 Welkom Gold Mining Company Limited

Industrial

The Union Steel Corporation (of South Africa) Limited
 Vanderbijl Engineering Corporation Limited
 Vereeniging Consolidated Mills Limited
 Vereeniging Refractories Limited (formerly Vereeniging Brick and Tile Company Limited)

Financial

Anglo American Industrial Corporation Limited
 Transvaal and Delagoa Bay Investment Company Limited
 V.E. Exploration and Finance Company Limited
 Details of the company's major investments appear elsewhere in this report.

West Rand Investment Trust Limited

Nature of business: Financial company with major shareholdings in gold and gold-uranium mining companies in the Western Transvaal, and various financial and other companies.

Year ended 31st December, 1966.

Issued capital: R11,008,606 in shares of R1 each.

Total share capital and reserves: R36,913,000.

Loan capital: R278,000.

	1966	1965
Book cost of unquoted investments.....	R327,000	R325,000
Book cost of quoted investments.....	R40,718,000	R38,264,000
Market value of quoted investments.....	R140,422,000	R114,619,000
Net profit.....	R5,950,000	R5,187,000
Dividends:		
Amount paid.....	R4,678,000	R4,403,000
Per share.....	42.5c	40c

At 31st December, 1966, the company held shares in the following:

Gold producing

1,700,000 Blyvooruitzicht Gold Mining Company Limited
 2,000,000 Buffelsfontein Gold Mining Company Limited
 662,500 Doornfontein Gold Mining Company Limited
 1,725,000 Hartebeestfontein Gold Mining Company Limited
 100,000 Libanon Gold Mining Company Limited
 200,000 Stilfontein Gold Mining Company Limited
 1,900,000 Vaal Reefs Exploration and Mining Company Limited
 50,000 Venterpost Gold Mining Company Limited
 2,000,134 West Driefontein Gold Mining Company Limited
 1,070,016 Western Areas Gold Mining Company Limited

3,200,000 Western Deep Levels Limited
 703,600 Western Reefs Exploration and Development Company Limited
 1,282,208 Zandpan Gold Mining Company Limited—shares
 256,441 Zandpan Gold Mining Company Limited—options
 256,441 Zandpan Gold Mining Company Limited—6 per cent unsecured loan stock

Gold developing

214,003 Elsburg Gold Mining Company Limited
 2,520,000 Kloof Gold Mining Company Limited

Financial

59,000 Ellaton Gold Mining Company Limited
 1,210,000 West Witwatersrand Areas Limited
 434,400 Western Ultra Deep Levels Limited

Details of the company's principal investments appear elsewhere in this report.

Administered outside the Anglo American Corporation Group

Charter Consolidated Limited

Nature of business: The company has extensive holdings in financial companies, copper, gold and diamond mining companies and industrial and oil companies. The geographical spread of its investments is: South Africa (38.6 per cent), North America (23.9 per cent), the United Kingdom (18.2 per cent), the rest of Africa (12.9 per cent) and elsewhere (6.4 per cent).

Year ended 31st March, 1966.

Issued capital: *£24,431,168 in 97,724,674 shares of 5s each.

Total share capital and reserves (consolidated): £108,279,000.

1966 †1965

Book cost of quoted investments.....	£69,698,000	£71,625,000
Book cost of unquoted investments.....	£22,628,000	£22,611,000
Market value of quoted investments.....	£125,588,000	£117,460,000
Directors' valuation of unquoted investments.....	£30,100,000	£27,746,000
Consolidated net profit for the year.....	£7,779,000	
Dividends (1s 8d gross per share)†.....	£4,784,000	

* All amounts are British sterling.

† Comparative figures for 1965 were compiled from the consolidated balance sheets of The British South Africa Company, The Central Mining & Investment Corporation Limited and The Consolidated Mines Selection Company Limited.

‡ Includes a distribution of 4d per share in respect of the earnings of the three merging companies for the three-month period 1st January, 1965, to 31st March, 1965.

De Beers Consolidated Mines Limited

Nature of business: The company operates a number of diamond mines and has substantial interests in diamond mining companies and diamond distributing and selling companies. It also has extensive holdings in financial, industrial and gold mining investment and producing companies in South Africa and in coal and copper companies in Rhodesia and Zambia. Its subsidiary, De Beers Industrial Corporation Limited, holds approximately 42.5 per cent of the issued ordinary share capital of African Explosives and Chemical Industries Limited. Information on these two last-mentioned companies appears elsewhere in this report.

Year ended 31st December, 1966.

Issued capital: R21,013,000 in 800,000 preference shares of R5 each (less 4,481 preference shares held by subsidiary companies) and 34,070,552 deferred shares of 50 cents each.

Total share capital and reserves: R370,075,000

1966 1965

Diamond mining and trading assets.....	*R71,670,000	R51,587,000
Diamonds on hand.....	R35,215,000	R34,512,000
Net current assets.....	R119,148,000	R131,025,000
Book cost of unquoted investments.....	R40,412,000	R51,722,000
Book cost of quoted investments.....	R172,365,000	R97,912,000

	1966	1965
Market value of quoted investments.....	R366,120,000	<i>R174,844,000</i>
Other investments— loans.....	†R8,547,000	<i>R11,421,000</i>
Consolidated profit before taxation.....	R140,781,000	<i>R114,806,000</i>
Government's share of profits, under mining lease.....	R1,230,000	<i>R889,000</i>
Taxation.....	R43,534,000	<i>R32,131,000</i>
Consolidated profit after taxation.....	R96,017,000	<i>R81,786,000</i>
Dividends: Preference.....	R1,591,000	<i>R1,591,000</i>
Deferred: Amount paid.....	R37,478,000	<i>R34,071,000</i>
Per share.....	110c	100c

* Includes shares in subsidiary companies not consolidated, R20,728,000.

† Excludes loans and advances to subsidiary companies not consolidated, R1,368,000.

De Beers Industrial Corporation Limited

Nature of business: An industrial finance and investment company whose main asset is an interest of approximately 42.5 per cent in the issued ordinary share capital of African Explosives and Chemical Industries Limited.

Year ended 31st December, 1966.

Issued capital: R24,000,000 in 1,000,000 5½ per cent cumulative preference shares of R2 each and 11,000,000 ordinary shares of R2 each.

Total share capital and reserves: R41,829,000.

	1966	1965
Book cost of unquoted investments*.....	R4,973,000	<i>R32,566,000</i>
Book cost of quoted investments*.....	R34,847,000	<i>R959,000</i>
Market value of quoted investments*.....	R103,577,000	<i>R1,405,000</i>
Profit before taxation... R4,863,000	<i>R4,900,000</i>	
Taxation..... R110,000	<i>R141,000</i>	
Profit after taxation.... R4,753,000	<i>R4,759,000</i>	
Dividends: Preference.....	R110,000	<i>R110,000</i>
Ordinary: Amount paid.....	R4,125,000	<i>R4,125,000</i>
Per share.....	37½c	37½c

The company's principal interests at 31st December, 1966, were in the following companies:

African Explosives and Chemical Industries Limited
Boart and Hard Metal Products S.A. Limited
Highveld Steel and Vanadium Corporation Limited
Kimberley Engineering Works Limited
Mainstraat Beleggings (1965) (Eiendoms) Beperk
Northern Lime Company Limited
South African Nylon Spinners (Proprietary) Limited
Vierfontein Coal Holdings Limited
Vierfontein Colliery Limited

* The disparity compared with the previous year is due to the fact that during 1966 African Explosives and Chemical Industries Limited, details of which are given elsewhere, obtained a listing on the Johannesburg Stock Exchange.

Hollandstraat-ses Beleggings (Eiendoms) Beperk

Nature of business: The company was formed in October, 1963, by Anglo American Corporation of South Africa Limited and Federale Mynbou Beperk,

and has a substantial shareholding in General Mining and Finance Corporation Limited.

West Witwatersrand Areas Limited

Nature of business: Financial and exploration company with substantial holdings in gold and gold-uranium mining companies.

Year ended 30th June, 1966.

Issued capital: R2,504,182 in 10,016,728 shares of 25 cents each.

Total share capital and reserves: R30,846,121.

	1966	1965
Book cost of unquoted investments.....	R314,208	<i>R187,550</i>
Book cost of quoted investments.....	R34,988,246	<i>R25,844,364</i>
Market value of quoted investments.....	R109,546,803	<i>R96,402,108</i>
Consolidated profit before taxation.....	R4,770,375	<i>R5,060,160</i>
Taxation.....	Nil	<i>R63,357</i>
Consolidated profit after taxation.....	R4,770,375	<i>R4,996,803</i>
Dividends: Amount paid.....	R4,507,528	<i>R4,507,528</i>
Per share.....	45c	45c

At 30th June, 1966, the company's principal investments were as follows:

Quoted investments	No. of shares	Percentage in the equity
Blyvoortuizicht Gold Mining Company Limited.....	3,001,680	12.5
Doornfontein Gold Mining Company Limited.....	1,826,305	18.6
Elsburg Gold Mining Company Limited: Stock.....	160,251	1.8
Kloof Gold Mining Company Limited: Shares.....	5,933,048	26.7
Kloof Gold Mining Company Limited: Combined Units.....	4,248,590	53.1
Libanon Gold Mining Company Limited.....	2,221,496	28.0
Venterspost Gold Mining Company Limited.....	1,023,800	20.9
West Driefontein Gold Mining Company Limited.....	2,888,012	20.5
Western Areas Gold Mining Company Limited.....	450,048	2.2
Western Deep Levels Limited.....	1,595,911	6.4

Unquoted investments

Elsburg Gold Mining Company Company Limited: R1 shares— 10 cents paid†.....	256,943	2.9
Western Ultra Deep Levels Limited.....	150,000	10.0
Westwits Investments Limited*.....	3,712,500	—
Carletonville Estates Limited*.....	150,000	—
Lemoen Plaas (Eiendoms) Beperk*.....	1,000	—

In addition, through its subsidiary Westwits Investments Limited, West Witwatersrand Areas Limited has an 88.4 per cent interest in Witwatersrand Deep Limited.

† Now 55 cents paid.

* Wholly owned subsidiaries.

Orange Free State interests

Administered by Anglo American Corporation

Freddies Consolidated Mines Limited

Year ended 30th September, 1966.

Issued capital: R2,000 in 1,000 shares of R2 each, held in equal proportions by Free State Geduld Mines Limited and Western Holdings Limited.

	1966	1965
Tons milled:		
Mine production.....	394,500	390,000
Crushed ore from Free State Geduld.....	158,100	159,200
Crushed ore from Western Holdings.....	231,900	230,800
	<u>784,500</u>	<u>780,000</u>
Yield—dwt per ton.....	10.54	10.24
Working costs—per ton milled.....	R7.87	R7.83
Working profit—gold.....	R4,248,000	R3,960,000
Uranium—share of Joint Scheme profit.....	*R280,000	R1,095,000
Taxation and lease payments.....	Nil	Nil
Dividends:		
Amount paid.....	R2,454,000	R2,454,000

* Uranium Joint Scheme terminated on 31st December, 1965.

Free State Geduld Mines Limited

Year ended 30th September, 1966.

Issued capital: R5,000,000 in 10,000,000 shares of 50 cents each.

	1966	1965
Tons milled*.....	1,864,000	1,831,500
Yield—dwt per ton.....	20.95	21.19
Working costs—per ton milled.....	R7.42	R7.22
Working profit.....	R35,369,000	R35,704,000
Taxation and lease payments.....	R22,048,000	R22,564,000
Dividends:		
Amount paid.....	R12,000,000	R12,000,000
Per share.....	120c	120c
Ore reserves:		
Tons.....	4,820,000	4,589,000
Value—inch-dwt.....	1,172	1,198

* In addition, 158,100 tons of crushed ore (1965: 159,200 tons) were delivered to Freddie's Consolidated Mines Limited, in which the company has a 50 per cent interest.

Free State Saaiplaas Gold Mining Company Limited

Year ended 30th September, 1966.*

Issued capital: †R12,491,870 in shares of R1 each.

	1966	1965
	(15 months to 30th September)	(12 months to 30th June)
Tons milled:		
Mine production.....	1,191,000	1,052,000
Crushed ore from President Brand.....	265,500	—
	<u>1,456,500</u>	<u>1,052,000</u>
Yield—dwt per ton.....	6.62	4.78
Working costs—per ton milled.....	R6.94	R6.38

Anglo American Corporation of South Africa Limited has direct shareholdings and, principally through Orange Free State Investment Trust Limited, indirect interests in companies in the Orange Free State goldfield. Operating statistics and brief notes on most of these companies are given below under two headings: administered by Anglo American Corporation; and administered by other mining finance houses.

	1966	1965	1966	1965
Working profit—gold (1965: loss).....	R2,061,000	R382,000	Uranium—share of Joint Scheme profit.....	*R394,000 R1,554,000
Uranium profit.....	R530,000	R426,000	Taxation.....	R1,262,000 R2,323,000
Taxation and lease payments.....	Nil	Nil	Dividends:	
Dividends:			Amount paid.....	R2,100,000 R2,100,000
Amount paid.....	Nil	Nil	Per share.....	15c 15c

* Financial year-end changed to coincide with that of holding company, President Brand Gold Mining Company Limited.

† With effect from 14th September, 1965, the capital of the company was reconstructed. The authorized capital is now R12,500,000 in 12,500,000 shares of R1 each, of which 12,491,870 shares have been issued. As the result of an offer made to shareholders by President Brand Gold Mining Company Limited, that company now holds approximately 98.26 per cent of the issued shares in the reconstructed capital of Free State Saaiplaas Gold Mining Company Limited, which holding includes certain shares compulsorily acquired from dissentients. The compulsory acquisition of the remaining shares, however, will depend upon the outcome of litigation against President Brand by certain dissentients who are contesting the compulsory acquisition of their shares.

Jeannette Gold Mines Limited

The mine was placed on a caretaking basis in January, 1956.

President Brand Gold Mining Company Limited

Year ended 30th September, 1966.

Issued capital: R7,020,000 in 14,040,000 units of stock of 50 cents each.

	1966	1965
Tons milled*.....	2,490,000	2,484,000
Yield—dwt per ton.....	13.07	13.15
Working costs—per ton milled.....	R6.37	R6.27
Working profit—gold.....	R25,139,000	R25,625,000
Uranium—share of Joint Scheme profit.....	†R289,000	R1,141,000
Taxation and lease payments.....	R13,226,000	R14,668,000
Dividends:		
Amount paid.....	R10,530,000	R10,179,000
Per stock unit.....	75c	72½c

Ore reserves:

Tons.....	7,644,000	6,827,000
Value—inch-dwt.....	780	780

* In addition, 265,500 tons of crushed ore were delivered to the company's subsidiary, Free State Saaiplaas, in which the company holds approximately 98.26 per cent of the share capital.

† Uranium Joint Scheme terminated on 31st December, 1965.

President Steyn Gold Mining Company Limited

Year ended 30th September, 1966.

Issued capital: R7,000,000 in 14,000,000 shares of 50 cents each.

	1966	1965
Tons milled.....	2,593,000	2,515,000
Yield—dwt per ton.....	6.76	6.67
Working costs—per ton milled.....	R6.30	R6.07
Working profit—gold.....	R5,759,000	R5,907,000

	1966	1965
Ore reserves:		
Tons.....	6,749,000	6,478,500
Value—inch-dwt.....	336	341

* Uranium Joint Scheme terminated on 31st December, 1965.

Welkom Gold Mining Company Limited

Year ended 30th September, 1966.

Issued capital: R6,125,000 in 12,250,000 shares of 50 cents each.

	1966	1965
Tons milled.....	2,210,000	2,176,000
Yield—dwt per ton.....	7.10	7.02
Working costs—per ton milled.....	R6.05	R5.91
Working profit—gold.....	R6,420,000	R6,405,000
Uranium—share of Joint Scheme profit.....	*R370,000	R1,480,000
Taxation and lease payments.....	R1,072,000	Nil
Dividends:		
Amount paid.....	R4,043,000	R4,043,000
Per share.....	33c	33c

Ore reserves:

Tons.....	5,341,000	5,421,000
Value—inch-dwt.....	383	386

* Uranium Joint Scheme terminated on 31st December, 1965.

Western Holdings Limited

Year ended 30th September, 1966.

Issued capital: R3,748,188 in 7,496,376 shares of 50 cents each.

	1966	1965
Tons milled*.....	2,700,000	2,683,000
Yield—dwt per ton.....	14.40	14.62
Working costs—per ton milled.....	R6.10	R5.80
Working profit.....	R32,499,000	R33,875,000
Taxation and lease payments.....	R21,104,000	R20,885,000
Dividends:		
Amount paid.....	R11,994,000	R11,994,000
Per share.....	160c	160c

Ore reserves:

Tons.....	6,863,000	6,640,000
Value—inch-dwt.....	696	758

* In addition, 231,900 tons of crushed ore (1965: 230,800 tons) were delivered to Freddie's Consolidated Mines Limited, in which the company has a 50 per cent interest.

Anglo American (O.F.S.) Housing Company Limited

The company provides housing in the Orange Free State for employees of associated companies. At 31st December, 1966, the cost of the stands, houses, flats and hostels owned by the company amounted to R27,773,216.

Inter-Mine Services O.F.S. (Proprietary) Limited

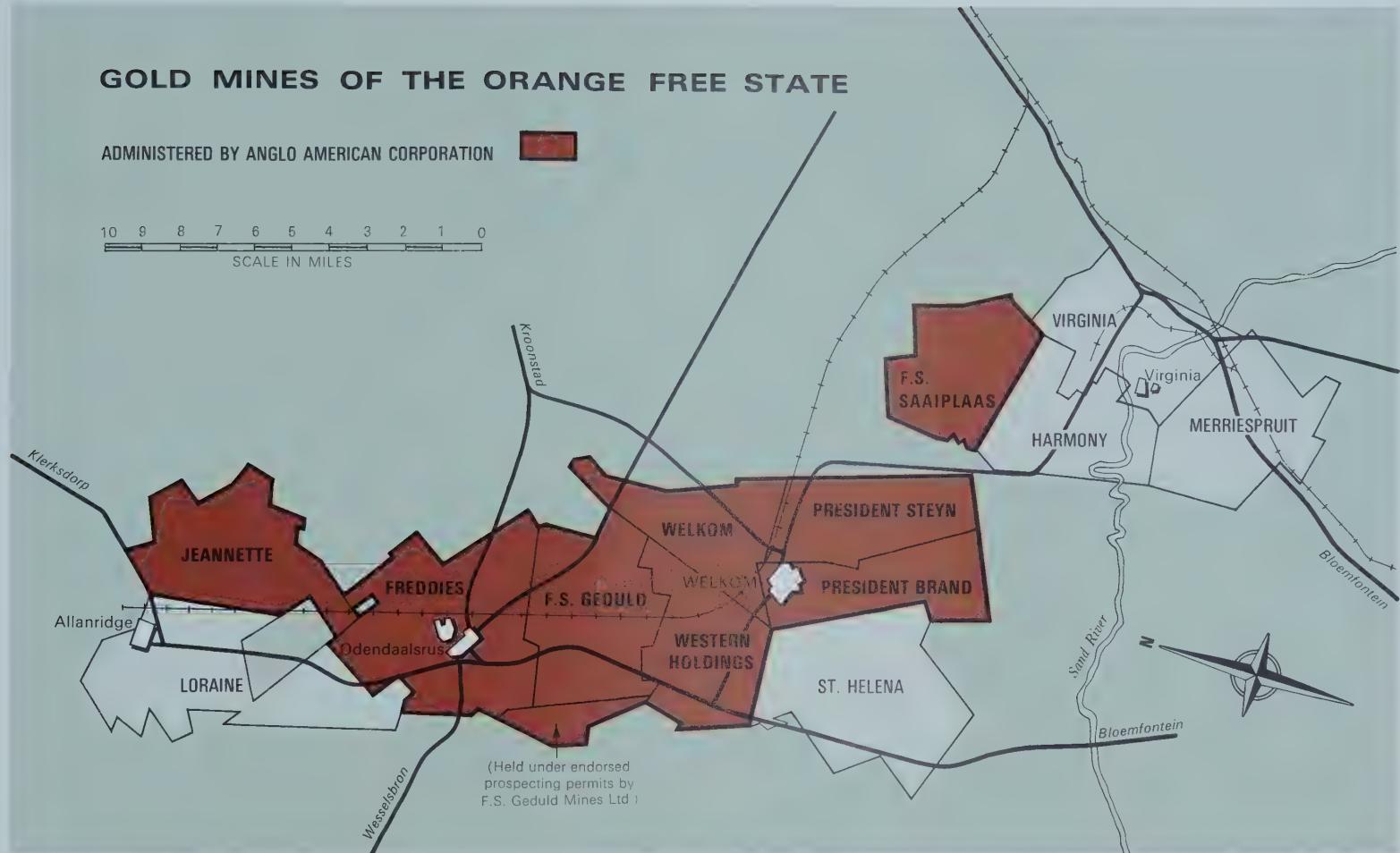
The company was formed in July, 1951, for the

GOLD MINES OF THE ORANGE FREE STATE

ADMINISTERED BY ANGLO AMERICAN CORPORATION



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SCALE IN MILES



Orange Free State interests

purpose of supplying stores and materials and providing certain other services to the Orange Free State gold mining companies in the Anglo American Corporation Group, such operations being financed by the companies concerned.

Administered by other mining finance houses

Working profit.....	R16,080,000	<i>R17,047,000</i>
Taxation and lease payments.....	R7,201,000	<i>R8,808,000</i>
Dividends:		
Amount paid.....	R7,218,750	<i>R7,218,750</i>
Per share.....	75c	<i>75c</i>
Payable ore reserves:		
Tons.....	9,100,000	<i>9,100,000</i>
Value—inch-dwt.....	602	<i>602</i>

Harmony Gold Mining Company Limited

Year ended 30th June, 1966.

Issued capital: R9,000,000 in 18,000,000 shares
of 50 cents each.

	1966	1965
Tons milled.....	2,567,000	<i>2,428,000</i>
Yield—dwt per ton.....	7.740	<i>7.894</i>
Working costs—per ton milled.....	R6.28	<i>R6.31</i>
Working profit—gold.....	R8,904,494	<i>R8,842,519</i>
Working profit—uranium, pyrites and acid*.....	R4,080,079	<i>R5,550,244</i>
Net uranium royalties payable.....	R4,024,117	<i>R5,502,228</i>
Taxation and lease consideration.....	R4,178,363	<i>R4,281,815</i>
Dividends:		
Amount paid.....	R3,600,000	<i>R3,780,000</i>
Per share.....	20c	<i>21c</i>
Repayment of capital:		
Reduction of share premium.....	R1,800,000	<i>R1,620,000</i>
Per share.....	10c	<i>9c</i>
Ore reserves:		
Tons.....	5,935,000	<i>5,944,000</i>
Value gold—inch-dwt	506	<i>469</i>
Value uranium—inch-lb	29.47	<i>28.19</i>

*Excludes royalties received and paid from the disposal and acquisition of uranium quotas.

Lorraine Gold Mines Limited

Year ended 30th September, 1966.

Issued capital: R16,066,986 in shares of R1 each.

	1966	1965
Tons milled.....	1,103,000	<i>1,098,000</i>
Yield—dwt per ton.....	8.050	<i>7.940</i>
Working costs—per ton milled.....	R8.13	<i>R7.55</i>
Working profit—gold.....	R2,412,000	<i>R2,909,000</i>
Uranium—share of Joint Scheme profit.....	R222,000	<i>R868,000</i>
Taxation and lease payments.....	Nil	<i>Nil</i>
Dividends:		
Amount paid.....	R482,000	<i>R482,000</i>
Per share.....	3c	<i>3c</i>
Ore reserves:		
Tons.....	3,010,000	<i>2,616,000</i>
Value—inch-dwt.....	520	<i>540</i>

St Helena Gold Mines Limited

Year ended 31st December, 1966.

Issued capital: R9,625,000 in shares of R1 each.

	1966	1965
Tons milled.....	2,367,000	<i>2,391,000</i>
Yield—dwt per ton.....	9.0	<i>9.03</i>
Working costs—per ton milled.....	R4.57	<i>R4.24</i>

Far West Rand and Klerksdorp interests

Administered by Anglo American Corporation

Vaal Reefs Exploration and Mining Company Limited

Year ended 31st December, 1966.

Issued capital: R5,250,000 in 10,500,000 shares
of 50 cents each.

	1966	1965
Tons milled.....	2,254,000	2,202,000
Yield—dwt per ton.....	9.50	9.59
Working costs—per ton milled.....	R6.93	R6.75
Working profit—gold.....	R11,379,000	R11,719,000
Share of Joint Scheme uranium working profit before deduction of royalties paid.....	R2,137,000	R2,865,000
Uranium royalties paid.....	Nil	R1,057,000
Taxation and State's share of profits.....	R209,000	R43,000
Dividends:		
Amount paid.....	R1,750,000	R1,750,000
Per share.....	25c	25c
Ore reserves:*		
Tons.....	5,315,000	5,729,000
Inch-dwt (gold).....	324	319
Inch-lb. (uranium oxide)†	33.80	33.46

	1966	1965
Working costs—per ton milled.....	R6.57	R6.47
Working profit—gold.....	R71,000	R96,000
Share of Joint Scheme uranium working profit before deduction of royalties paid.....	R1,181,000	R691,000
Uranium royalties paid.....	Nil	R1,057,000
Taxation and State's share of profits.....	R209,000	R43,000
Dividends:		
Amount paid.....	R1,750,000	R1,750,000
Per share.....	25c	25c
Ore reserves:*		
Tons.....	5,315,000	5,729,000
Inch-dwt (gold).....	324	319
Inch-lb. (uranium oxide)†	33.80	33.46

* Includes ore reserves in areas outside mining lease held under prospecting permits.

† Applicable to Vaal Reef horizon only.

Western Deep Levels Limited

Year ended 31st December, 1966.

Issued capital: *R50,000,000 in 25,000,000 ordinary
shares of R2 each.

	1966	1965
Tons milled.....	2,965,000	2,742,000
Yield—dwt per ton.....	9.99	8.51
Working costs—per ton milled.....	R6.20	R5.59
Working profit—gold.....	R19,005,000	R14,076,000
Taxation and State's share of profits.....	Nil	Nil
Dividends:		
Amount paid.....	R6,810,000	†R1,680,000
Per share.....	†10c and ‡25c	†30c
Ore reserves:		
Tons.....	4,810,700	4,965,700
Inch-dwt.....	563	613
Inch-lb. (uranium oxide)‡	16.99	17.89

* Until July, 1966, the company's capital consisted of 5,600,000 'A' shares and 19,400,000 'B' shares. In terms of its memorandum of association the 'B' shares did not rank for dividend until dividends totalling R1 per share had been paid to the holders of the 'A' shares. This condition has now been fulfilled and the 'A' and 'B' shares rank equally in all respects as ordinary shares.

† On 5,600,000 'A' shares.

‡ On 25,000,000 ordinary shares.

§ Applicable to Carbon Leader Reef only.

Western Reefs Exploration and Development Company Limited

Year ended 31st December, 1966.

Issued capital: R3,500,000 in 7,000,000 shares
of 50 cents each.

	1966	1965
Tons milled.....	1,935,000	1,906,000
Yield—dwt per ton.....	6.09	6.34

Anglo American Corporation of South Africa Limited has direct shareholdings and, principally through West Rand Investment Trust Limited, indirect interests in companies in the Far West Rand and Klerksdorp areas. Operating statistics and brief notes on most of these companies are given below under two headings: administered by Anglo American Corporation; and administered by other mining finance houses.

	1966	1965
Dividends:		
Amount paid.....	R3,850,000	R3,850,000
Per share.....	35c	35c
Ore reserves:		
Tons.....	6,193,000	6,163,000
Inch-dwt (gold).....	582	550
Inch-lb. (uranium oxide).....	43.75	41.50

Doornfontein Gold Mining Company Limited

Year ended 30th June, 1966.

Issued capital: R9,828,000 in shares of R1 each.

	1966	1965
Tons milled.....	1,565,000	1,567,000
Yield—dwt per ton.....	9.581	9.483
Working costs—per ton milled.....	R7.22	R6.71
Working profit—gold.....	R7,604,874	R8,235,485
Uranium royalties receivable.....	R324,000	R324,000
Taxation and lease payments.....	R3,486,350	R4,202,892
Dividends:		
Amount paid.....	R2,948,400	R2,751,840
Per share.....	30c	28c
Ore reserves:		
Tons.....	3,896,000	3,730,000
Inch-dwt. (gold).....	345	349

Administered by other mining finance houses

Blyvooruitzicht Gold Mining Company Limited

Year ended 30th June, 1966.

Issued capital: R6,000,000 in 24,000,000 shares
of 25 cents each.

	1966	1965
Tons milled.....	1,769,000	1,753,000
Yield—dwt per ton.....	12.466	12.448
Working costs—per ton milled.....	R7.33	R7.36
Working profit—gold.....	R14,811,674	R14,621,264
Net profit—uranium and acid, after allowing for uranium royalties receivable and payable.....	R2,045,498	R2,109,581
Taxation and lease payments.....	R7,109,775	R5,995,365
Dividends:		
Amount paid.....	R6,240,000	R6,240,000
Per share.....	26c	26c
Ore reserves:		
tons.....	6,141,000	6,312,000
Inch-dwt (gold).....	543	548
Inch-lb. (uranium oxide).....	21.33	22.04

Buffelsfontein Gold Mining Company Limited

Year ended 30th June, 1966.

Issued capital: R11,000,000 in shares of R1 each.

	1966	1965
Tons milled.....	2,539,000	2,419,000
Recovery value—dwt per ton.....	8.948	8.859
Working costs—per ton milled.....	R6.556	R6.233
Working profit—gold.....	R11,990,000	R11,998,000
Net profit—uranium and acid, after deduction of royalties paid.....	R803,000	R2,009,000
Taxation and lease payments.....	R3,246,000	R5,035,000

Hartebeestfontein Gold Mining Company Limited

Year ended 30th June, 1966.

Issued capital: R9,000,000 in shares of R1 each.

	1966	1965
Tons milled.....	1,780,000	1,676,000
Yield—dwt per ton.....	9.79	9.453
Working costs—per ton milled.....	R7.78	R7.69
Working profit—gold.....	R8,471,000	R7,436,000
Net profit—uranium, after deduction of royalties payable.....	R1,548,000	R2,490,000

Far West Rand and Klerksdorp interests

	1966	1965
Taxation and lease payments.....	R2,088,000	R3,578,000
Dividends:		
Amount paid.....	R4,050,000	R4,500,000
Per share.....	45c	50c
Ore reserves:		
Tons.....	7,029,000	5,866,000
Inch-dwt (gold).....	377	375
Inch-lb. (uranium oxide).....	24.8	25.31

Kloof Gold Mining Company Limited

Year ended 30th June, 1966.

Issued capital: R38,238,250 in 22,241,650 ordinary shares of R1 each, fully paid, and 7,998,350 combined units comprising 7,998,350 'A' shares of R1 each, fully paid and R7,998,350 unsecured non-interest-bearing loan stock.

The company's mining lease covers an area of some 5,165 morgen. At the end of December, 1966, No. 1 Shaft had reached a depth of 3,685 feet, and No. 1 Ventilation Shaft 5,906 feet. It is expected that provided present progress can be maintained production will start early in 1968.

Libanon Gold Mining Company Limited

Year ended 30th June, 1966.

Issued capital: R7,937,300 in shares of R1 each.

	1966	1965
Tons milled.....	1,560,000	1,560,000
Yield -dwt per ton.....	6.430	6.347
Working costs—per ton milled.....	R5.81	R5.63
Working profit.....	R3,574,048	R3,710,077
Taxation and lease payments.....	R986,698	R1,138,008
Dividends:		
Amount paid.....	R1,746,206	R1,746,206
Per share.....	22c	22c

Payable ore reserves:

Tons:		
Main Reef.....	1,760,000	2,045,000
Ventersdorp Contact Reef.....	1,768,000	1,687,000
Inch-dwt:		
Main Reef.....	261	229
Ventersdorp Contact Reef.....	421	389

Western Areas Gold Mining Company Limited

Year ended 31st December, 1966.

Issued capital: R20,675,000 in stock units of R1 each.

	1966	1965
Tons milled.....	2,604,000	2,367,000
Yield—dwt per ton.....	5.307	5.252
Working costs—per ton milled.....	R5.39	R5.00
Working profit.....	R3,581,000	R3,885,000
Taxation and lease payments.....	Nil	Nil
Dividends:		
Amount paid.....	R1,033,500	R1,033,500
Per share.....	5c	5c
Payable ore reserves:		
Tons.....	4,053,000	3,800,000
Value—inch-dwt.....	422	466

West Driefontein Gold Mining Company Limited

Year ended 30th June, 1966.

Issued capital: R14,082,160 in shares of R1 each.

	1966	1965
Tons milled.....	2,766,000	2,705,000
Yield—dwt per ton.....	16.635	15.870
Working costs—per ton milled.....	R7.88	R7.40
Working profit—gold.....	R36,179,335	R34,127,681
Uranium royalty received ..	R960,000	R960,000
Taxation and lease payments.....	R18,594,259	R16,952,600
Dividends:		
Amount paid.....	R12,673,944	R10,561,620
Per share.....	90c	75c
Ore reserves:		
Tons.....	6,603,000	5,862,000
Value—inch-dwt.....	636	624

Zandpan Gold Mining Company Limited

Year ended 31st December, 1966.

Issued capital: R10,000,000 in shares of R1 each.

	1966	1965
Tons milled.....	804,000	498,000
Yield—dwt per ton.....	7.422	7.931
Working costs—per ton milled.....	R6.46	R8.20
Working profit—gold.....	R2,388,000	R914,000
Profit from sales of uranium oxide.....	R91,000	Nil
Taxation and lease payments.....	Nil	Nil
Ore reserves—tons.....	3,235,000	2,892,000
Value gold—inch-dwt.....	339	328
Value uranium oxide—inch-lb.....	33.04	32.31

GOLD MINES OF THE FAR WEST RAND AND KLERKS DORP

ADMINISTERED BY ANGLO AMERICAN CORPORATION

Producing mines



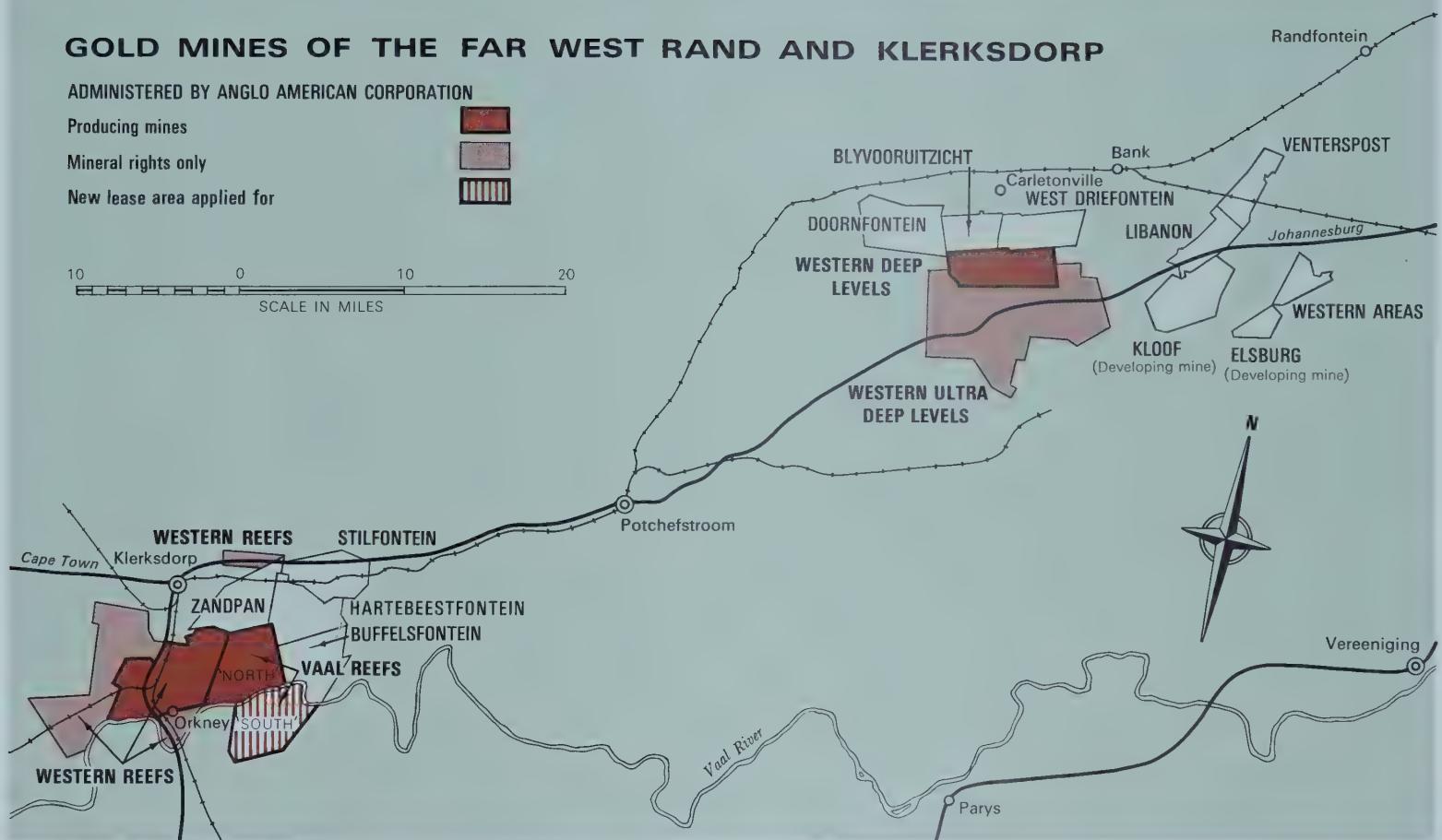
Mineral rights only



New lease area applied for



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SCALE IN MILES



Rand and Kinross interests

Anglo American Corporation of South Africa Limited has direct shareholdings and/or, through Rand Selection Corporation Limited, indirect interests in mining companies on the Rand and in the Kinross area. Operating statistics and brief notes on most of these companies are given below under two headings: administered by Anglo American Corporation; and administered by other mining finance houses.

Administered by Anglo American Corporation

Daggafontein Mines Limited

Year ended 31st December, 1966.

	1966	1965
Tons milled.....	1,454,000	2,269,000
Yield—dwt per ton.....	4.28	3.96
Working costs—per ton milled.....	R4.52	R3.96
Working profit—gold.....	R1,288,000	R2,333,000
Working profit—sulphuric acid.....	R99,000	R98,000
Taxation and State's share of profits.....	R445,000	R995,000
Dividends:		
Amount paid.....	R1,400,000	R2,100,000
Per share.....	20c	30c
Ore reserves:		
Tons.....	510,400	1,787,800
Inch-dwt.....	249	232

East Daggafontein Mines Limited

Year ended 31st December, 1966.

	1966	1965
Issued capital: R3,730,000 in shares of R1 each.		
Tons milled.....	1,641,000	1,439,000
Yield—dwt per ton.....	3.83	4.11
Working costs—per ton milled.....	R4.00	R4.29
Working profit.....	R1,383,000	R1,281,000
Taxation.....	R516,000	R457,000
Dividends:		
Amount paid.....	R746,000	R746,000
Per share.....	20c	20c
Ore reserves:		
Tons.....	2,598,000	2,855,000
Inch-dwt.....	213	199

The South African Land & Exploration Company Limited

Year ended 31st December, 1966.

	1966	1965
Issued capital: R1,155,000 in 3,300,000 shares of 35 cents each.		
Tons milled.....	1,338,000	1,271,000
Yield—dwt per ton.....	5.16	5.14
Working costs—per ton milled.....	R5.12	R5.33
Working profit.....	R1,856,000	R1,446,000
Taxation and State's share of profits.....	R570,000	R172,000
Dividends:		
Amount paid.....	R330,000	R330,000
Per share.....	10c	10c

Administered by other mining finance houses

Bracken Mines Limited

Year ended 31st December, 1966.

Issued capital: R14,000,000 in shares of R1 each.

	1966	1965
Tons milled.....	1,071,000	1,075,000
Yield—dwt per ton.....	9.30	9.29
Working costs—per ton milled.....	R5.49	R5.38
Working profit.....	R7,129,000	R6,830,000
Taxation.....	R4,146,000	R3,353,000
Dividends:		
Amount paid.....	R3,360,000	R4,340,000
Per share.....	†24c	*31c
Payable ore reserves:		
Tons.....	3,000,000	3,000,000
Value—inch-dwt.....	370	388

* Including bonus dividend of 11 cents per share.

† Including bonus dividend of 4 cents per share.

Leslie Gold Mines Limited

Year ended 31st December, 1966.

	1966	1965
Issued capital: R16,000,000 in shares of R1 each.		
Tons milled.....	1,778,000	1,792,000
Yield—dwt per ton.....	6.73	6.75
Working costs—per ton milled.....	R4.31	R4.25
Working profit.....	R7,752,000	R7,652,000
Dividends:		
Amount paid.....	R4,320,000	R4,800,000
Per share.....	†27c	*30c
Payable ore reserves:		
Tons.....	4,000,000	4,200,000
Value—inch-dwt.....	301	317

* Including bonus dividend of 14 cents per share.

† Including bonus dividend of 11 cents per share.

Winkelhaak Mines Limited

Year ended 31st December, 1966.

	1966	1965
Issued capital: R12,000,000 in shares of R1 each.		
Tons milled.....	1,663,000	1,561,000
Yield—dwt per ton.....	6.29	6.44
Working costs—per ton milled.....	R5.38	R5.32
Working profit.....	R4,482,000	R4,384,000
Taxation and lease payments.....	R901,000	R637,000
Dividends:		
Amount paid.....	R2,040,000	R2,400,000
Per share.....	†17c	*20c
Payable ore reserves:		
Tons.....	5,000,000	5,000,000
Value—inch-dwt.....	347	369

* Including bonus dividend of 4 cents per share.

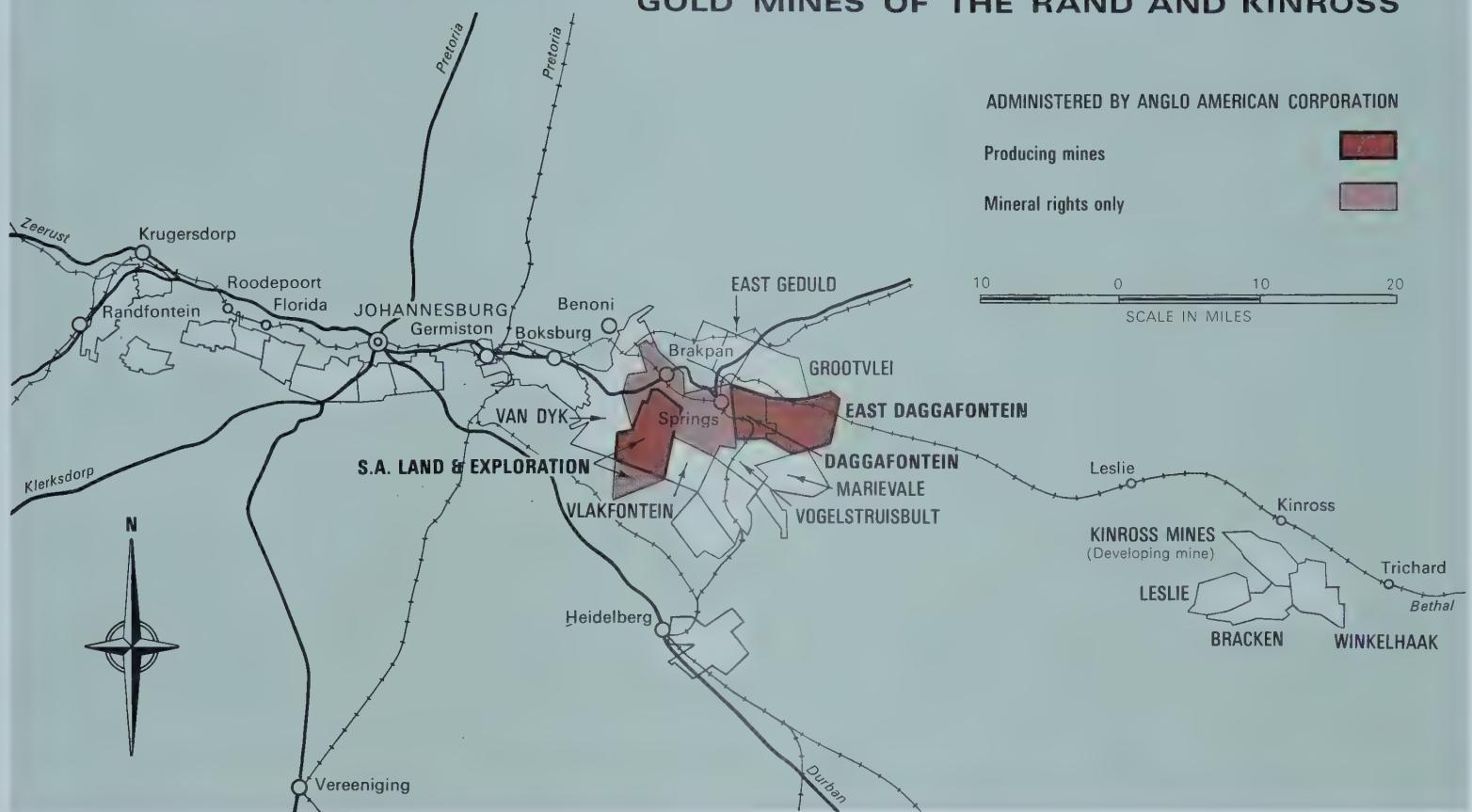
† Including bonus dividend of 1 cent per share.

GOLD MINES OF THE RAND AND KINROSS

ADMINISTERED BY ANGLO AMERICAN CORPORATION

Producing mines

Mineral rights only



Diamond interests

The Diamond Corporation Limited

Issued capital: R44,000,000 in 22,000,000 shares of R2 each.

The corporation contracts with various producers who are not members of the Diamond Producers' Association for the purchase of their productions. Considerable cash reserves are held to facilitate the holding of large stocks of diamonds when the market is weak, thereby stabilizing the trade. In addition the Corporation holds important investments outside the diamond industry through De Beers Holdings Limited and Rand Selection Corporation Limited.

The Diamond Purchasing and Trading Company Limited

Issued capital: R5,000,000 in 2,500,000 shares of R2 each.

The Diamond Trading Company Limited

Issued capital: R2,000,000 in 1,000,000 shares of R2 each.

These companies and their subsidiaries are concerned with the marketing of gem and near-gem diamonds. The net current assets of these two companies and their subsidiaries, held partly in diamond stocks and partly in cash, totalled R32,617,276 at 31st December, 1966.

Industrial Distributors (1946) Limited

Issued capital: R1,500,000 in 500,000 five per cent cumulative participating preference shares of 50 cents each and 2,500,000 ordinary shares of 50 cents each.

Industrial Distributors (Sales) Limited

Issued capital: R200,000 in 100,000 shares of R2 each.

These two companies are concerned with the marketing of those types of industrial diamonds, commonly known as boart and drilling, which are being used increasingly in industry for a variety of purposes.

De Beers Consolidated Mines Limited

Financial information on De Beers Consolidated Mines Limited is contained in the "Finance and Investment" section on page 54 of this report.

The company operates the Dutoitspan, Bultfontein, Wesselton and De Beers mines in Kimberley. The Dutoitspan and Bultfontein mines are not owned by the company but are operated under lease from subsidiary companies. The De Beers mine, which was closed in 1908, was brought back into production in 1963 and reached full production during 1966. The new Finsch mine, situated in the Cape Province, north-west of Kimberley is also operated by the De Beers company. This mine, a large producer with a long life, was brought to full production at the end of 1966.

In the Orange Free State, De Beers operate the Jagersfontein mine. The Voorspoed mine is being re-examined to determine whether it may be re-opened on an economic basis.

In Namaqualand, the company carries out alluvial operations over the farms Annex Kleinzee, Dreyers Pan and Langhoogte and is prospecting a number of other farms.

Total production of the mines referred to above was 2,839,000 carats for the year 1966, against 1,900,216 in 1965.

The Corporation has a direct interest in De Beers Consolidated Mines Limited and, through its holding in Anglo American Investment Trust Limited, a considerable indirect interest in the De Beers Group of companies. A short summary of the companies in which Anglo American Investment Trust Limited is interested directly and also indirectly through De Beers Consolidated Mines Limited is given hereunder.

The Consolidated Diamond Mines of South-West Africa Limited

Issued capital: R9,980,000 in 4,480,000 7½ per cent cumulative preference shares of R1 each, and 5,500,000 ordinary shares of R1 each.

The De Beers company holds 97.73 per cent of the ordinary shares and 35.99 per cent of the preference shares in this company which operates the open-cast workings along the southern portion of the coast of South West Africa. Consolidated Diamond Mines, the largest producer of gem diamonds in the world, has recently completed a major expansion scheme and production for 1966 totalled 1,503,837 carats against 1,436,767 in 1965.

Marine Diamond Corporation Limited, a subsidiary of Consolidated Diamond Mines, recovers diamonds from the sea bed off the South West African coast and from the adjacent foreshore.

Technical problems connected with a pioneering undertaking of this nature have to be overcome before the operation will become economic.

A new mining barge was commissioned in 1967 to replace the "Diamantkus" which proved to be uneconomic in operation. Production for the year 1966 totalled 253,770 carats.

Premier (Transvaal) Diamond Mining Company Limited

Issued capital: R160,000 in 160,000 preference shares of 50 cents each and 320,000 deferred shares of 25 cents each.

The De Beers company holds 98.39 per cent of the deferred shares and 93.12 per cent of the preference shares in this company which operates the Premier mine near Pretoria in the Transvaal.

This mine produced 2,500,299 carats for the year—principally of industrial quality—as compared with 2,439,345 carats in 1965.

Ultra High Pressure Units Limited

Issued capital: R4,000,000 in 2,000,000 shares of R2 each.

Ultra High Pressure Units (Ireland) Limited

Issued capital: R690,000 in 345,000 shares of R2 each.

De Beers has a 50 per cent interest in each of these companies which manufacture synthetic diamonds in South Africa and Ireland.

De Beers has purchased the basic and pending patents from General Electric Company relating to the manufacture and sale of synthetic diamonds in South Africa. It has also been granted non-exclusive licences to make, use and sell synthetic diamonds under General Electric's existing and pending patents in the United Kingdom and countries of Western Europe. It is intended that De Beers will licence the above two companies under these agreements.

De Beers Industrial Corporation Limited

Issued capital: R24,000,000 in 1,000,000 5½ per cent cumulative preference shares of R2 each and 11,000,000 ordinary shares of R2 each.

Further financial information on this company is given under the "Finance and Investment" section on page 55 of this report.

The main interest of this industrial finance and

investment company is a 42.5 per cent holding in African Explosives and Chemical Industries Limited, which manufactures explosives, fertilizers, industrial chemicals and paints. The ordinary shares of African Explosives and Chemical Industries Limited, were listed on the Johannesburg Stock Exchange during 1966.

De Beers direct and indirect interest amounts to 56.10 per cent.

De Beers Holdings Limited

Issued capital: R41,000,000 in 20,500,000 shares of R2 each.

This company holds investments in mining, industrial and financial companies, and finances, to a large extent, the De Beers group's prospecting campaigns. It recently formed a new subsidiary, Debold (Canada) Limited which has acquired a substantial shareholding in Anglo American Corporation of Canada Limited.

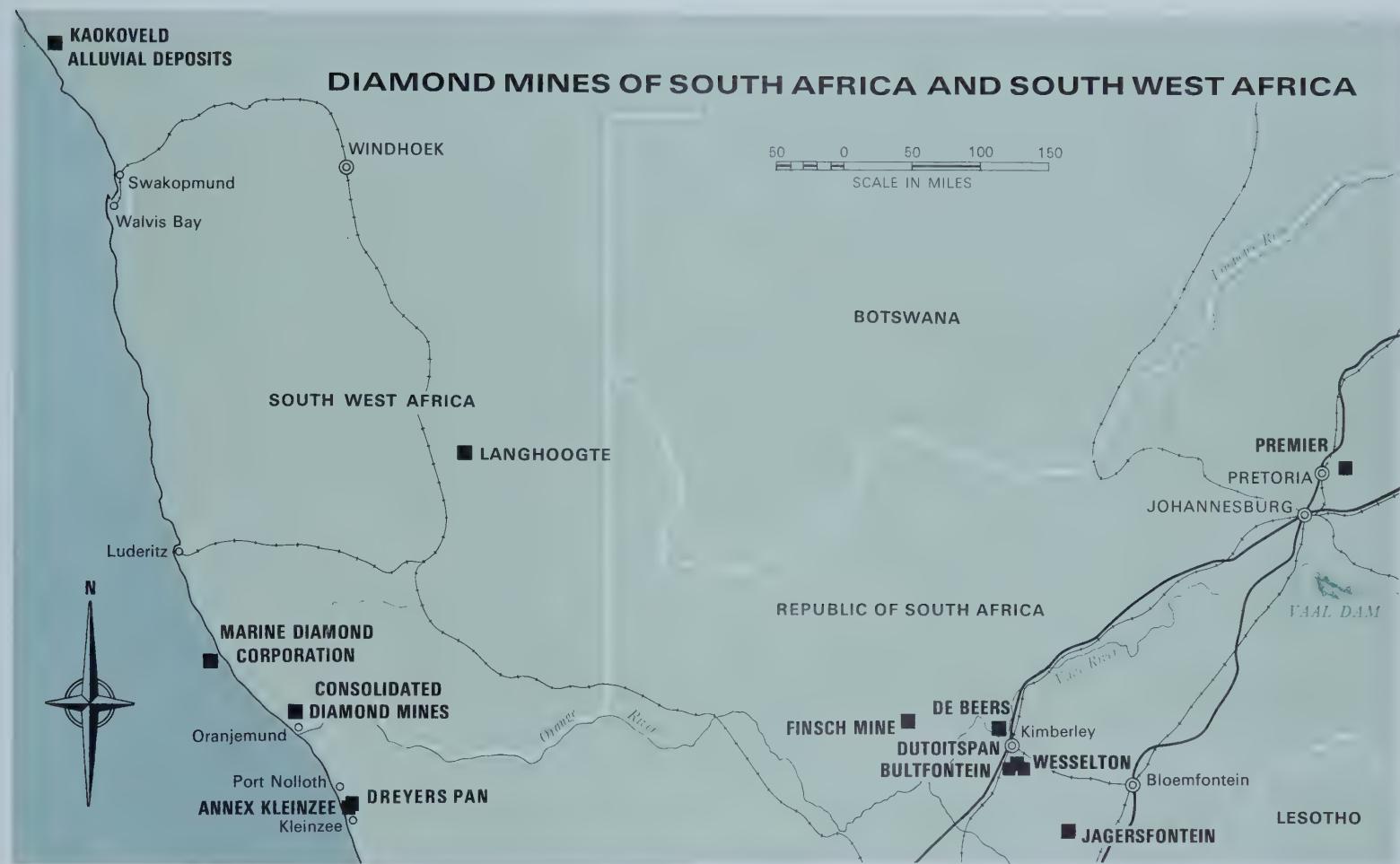
De Beers direct and indirect interest amounts to 89.47 per cent of the capital of this company.

Rand Selection Corporation Limited

Issued capital: R17,018,000 in 34,035,365 shares of 50c each.

Further financial details of this corporation are dealt with in the "Finance and Investment" section on page 53 of this report.

De Beers direct and indirect interest amounts to 41.17 per cent of the capital of this corporation.



Copper interests

Administered by Anglo American Corporation (Central Africa) Limited

Bancroft Mines Limited

Nature of business: Mines copper in Zambia (approximately 99 per cent of the ordinary share capital and the total preference share capital is owned by Nchanga Consolidated Copper Mines Limited).

Year ended 31st March, 1966.

Issued capital: £13,750,000 in 25,000,000 ordinary shares of 5s each and 7,500,000 non-dividend ranking redeemable preference shares of £1 each.

Year ended Nine months
31st March ended 31st
1966 March, 1965

Production of finished copper (long tons).....	36,540	23,782
plus long tons).....	35,856	23,995
less on operations.....	£1,781,000	£2,114,000
Less revenue from ore processing for Nchanga.....	£1,368,000	£324,000
Net loss for period.....	£413,000	£1,790,000

Nchanga Consolidated Copper Mines Limited

Nature of business: Mines copper in Zambia and owns approximately 99 per cent of the ordinary share capital and the total preference share capital of Bancroft Mines Limited.

Year ended 31st March, 1966.

Issued capital: £32,001,085 in shares of £1 each.

1966 1965

NCHANGA CONSOLIDATED COPPER MINES LIMITED		
Production of finished copper (long tons).....	257,650	232,258
Sales (long tons).....	256,187	253,743
Sales proceeds.....	£70,182,000	£61,232,000
Profit before taxation.....	£23,934,000	£22,184,000
Taxation.....	£11,180,000	£11,170,000
Profit after taxation.....	£12,754,000	£11,014,000

Dividends:		
Amount paid.....	£10,800,000	£10,800,000
Per share (net).....	6s 9d	6s 9d

Investment in subsidiary Bancroft Mines Limited:

Shares and loans..... £26,921,000 £25,678,000

Rhokana Copper Refineries Limited

Nature of business: Copper refiners and sulphuric acid producers operating in Zambia.

Year ended 30th June, 1966.

Issued capital: £2,493,151 in 1,700,000 ordinary shares of £1 each and 793,151 five per cent redeemable cumulative preference shares of £1 each.

1966 1965

Production:		
Finished copper (long tons).....	267,334	267,632
Sulphuric acid (short tons).....	101,824	63,198
Profit before taxation.....	£575,000	£357,000
Taxation.....	Nil	£50,000
Profit after taxation.....	£575,000	£307,000
Dividends—preference.....	£26,000	£27,000

Rhokana Corporation Limited

Nature of business: Copper and cobalt producer, with

The Corporation has direct and indirect interests in most of the copper mining companies in Zambia. Brief particulars of the activities of the principal companies are recorded under two headings: administered by Anglo American Corporation (Central Africa) Limited; and administered by Roan Selection Trust Limited. All sums of money are expressed in Zambian currency.

substantial investments in the Zambian copper mining industry.

Year ended 30th June, 1966.

Issued capital: £25,709,276 in 24,950,342 ordinary shares, 49,678 'A' shares and 709,256 5½ per cent redeemable cumulative preference shares, all of £1 each.

1966 1965

RHOKANA CORPORATION LIMITED

Production:

Finished copper (long tons).....	96,587	99,995
Cobalt (short tons).....	1,694	1,106

Sales:

Copper (long tons).....	97,325	103,850
Cobalt (short tons).....	1,462	1,711

Total sales proceeds..... £29,983,000 £27,697,000

Profit before taxation..... £11,684,000 £12,038,000

Taxation..... £2,420,000 £2,840,000

Profit after taxation..... £9,264,000 £9,198,000

Dividends:

Preference.....	£23,000	£21,000
Ordinary and 'A'		
shares—amount.....	£8,750,000	£8,750,000
per share (net).....	7s 0d	7s 0d

Trade and other investments—at cost..... £12,430,000 £12,332,000

At 30th June, 1966, the company's portfolio comprised shares in the following companies:

Company	No. of shares	Percentage of issued capital
Baluba Mines Limited	153,421	26.68
Bancroft Mines Limited (indirectly through Nchanga)	—	34.51
Chambishi Mines Limited...	1,295,430	26.68
Chibuluma Mines Limited ..	2,001,180	26.68
Chisangwa Mines Limited...	366,900	30.00
Mufulira Copper Mines Limited.....	4,213,525	26.56
Nchanga Consolidated Mines Limited.....	11,110,574	34.73
Rhokana Copper Refineries Limited.....	850,000	50.00

Administered by Roan Selection Trust Limited

Chambishi Mines Limited

Nature of business: Zambian copper producer. The mine started production in the last quarter of 1965 when certain sections of the plant were commissioned. Owing to the delay in completing the metallurgical plants and to certain technical problems, production fell below estimates in 1966.

Year ended 30th June, 1966.

Issued capital: £4,855,000 in shares of £1 each.

1966 1965

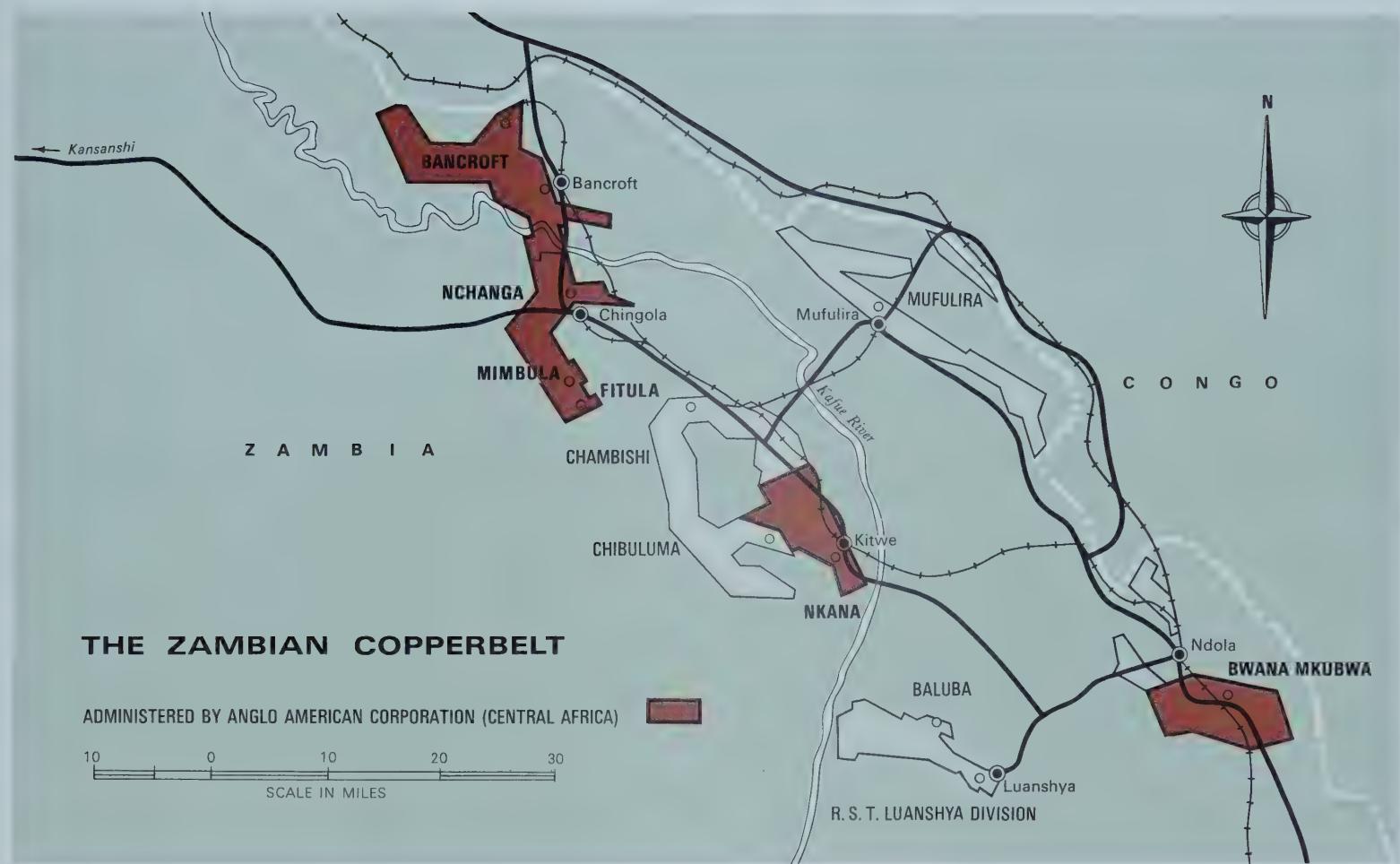
Production of finished copper (long tons).....	10,059	783
Loss for year (1965: profit).....	£757,000	£48,000

Chibuluma Mines Limited

Nature of business: Zambian copper producer.

Year ended 30th June, 1966.

Issued capital: £7,500,000 in shares of £1 each.



Coal interests

Administered by Anglo American Corporation

Amalgamated Collieries of South Africa Limited

Year ended 31st December, 1966.

Issued capital: R6,220,000 in 3,110,000 shares of R2 each.

	1966	1965
Sales output—short tons:		
Cornelia Colliery.....	3,669,825	4,099,717
Schoongezicht Colliery...	968,788	1,004,782
Springfield Collieries Limited*.....	1,845,430	2,107,661
	<u>6,484,043</u>	<u>7,212,160</u>
Consolidated profit before taxation.....	R1,972,000	R2,316,000
Taxation.....	R297,000	R500,000
Consolidated profit after taxation.....	R1,675,000	R1,816,000
Dividends:		
Amount paid.....	R1,306,000	R1,400,000
Per share.....	42c	45c
Trade and other investments, at cost.....	R1,815,000	R1,719,000
*Subsidiary company.		

Blesbok Colliery Limited

Year ended 31st December, 1966.

Issued capital: R1,540,000 in 3,080,000 shares of 50 cents each.

	1966	1965
Sales output—short tons....	639,816	614,535
Profit before taxation.....	R338,000	R333,000
Taxation.....	R70,000	R82,000
Profit after taxation.....	R268,000	R251,000
Dividends:		
Amount paid.....	R184,800	R184,800
Per share.....	6c	6c

The Coronation Collieries Limited

Year ended 31st December, 1966.

Issued capital: R3,600,000 in 7,200,000 shares of 50 cents each.

	1966	1965
Sales output—short tons* ..	1,116,651	1,193,672
Coke sales—short tons (subsidiary company).....	568,873	627,620
Consolidated profit before taxation.....	R2,404,000	R2,794,000
Taxation.....	R185,000	R673,000
Consolidated profit after taxation and deduction of minority shareholders' interest.....	R1,603,000	R1,580,000
Dividends:		
Amount paid.....	R1,080,000	R1,080,000
Per share.....	15c	15c
Trade and other investments, at cost.....	R870,000	R839,000

* The tonnage shown for 1966 excludes 78,827 tons of development coal mined at Bank Colliery.

The Corporation has, through African and European Investment Company Limited, Anglo American Corporation Rhodesia Limited and The Vereeniging Estates Limited, indirect interests in a number of colliery companies. Brief particulars of the operations and activities of some of the collieries in which these companies have a substantial shareholding are recorded under two headings: administered by Anglo American Corporation; and administered by Stafford Mayer Company South Africa Limited.

Ingagane Colliery (Proprietary) Limited

Year ended 30th June, 1966.

	1966	1965
Issued capital: R900,000 in 450,000 shares of R2 each.		
Sales output—short tons....	317,582	317,530
Loss for the year (1965: profit).....	R46,000	R30,000

	1966	1965
Coal sales—short tons:		
Steam coal.....	973,905	981,092
Blend coking coal.....	1,111,839	1,039,861
Profit before taxation.....	R1,312,000	R1,366,000
Taxation.....	R313,000	R30,000
Profit after taxation.....	R999,000	R1,336,000
Dividends:		
Amount paid.....	R960,000	R960,000
Per stock unit.....	20c	20c

Natal Coal Exploration Company Limited

Year ended 30th June, 1966.

	1966	1965
Issued capital: R2,500,000 in 5,000,000 shares of 50 cents each.		
Coal sales—short tons.....	720,313	589,245
Profit before taxation (1965: loss).....	R222,000	R99,000
Taxation.....	Nil	*R9,000
Profit after taxation (1965: loss).....	R222,000	R90,000

* Taxation refund in respect of previous years.

Springfield Collieries Limited

Year ended 31st December, 1966.

Issued capital: R2,300,000 in 1,150,000 shares
of R2 each.

	1966	1965
Sales output—short tons....	1,845,430	2,107,661
Profit before taxation.....	R636,000	R612,000
Taxation.....	R80,000	R132,000
Profit after taxation.....	R556,000	R480,000
Dividends:		
Amount paid.....	R431,000	R431,000
Per share.....	37½c	37½c

New Largo Colliery Limited

Year ended 30th June, 1966.

Issued capital: R1,600,000 in 3,200,000 shares of 50 cents each.

	1966	1965
Sales output—short tons....	1,401,212	1,535,610
Profit before taxation.....	R453,000	R536,000
Taxation.....	R122,000	R153,000
Profit after taxation.....	R331,000	R383,000
Dividends:		
Amount paid.....	R320,000	R320,000
Per share.....	10c	10c

South African Coal Estates (Witbank) Limited

Year ended 30th June, 1966.

Issued capital: R2,000,000 in 1,000,000 shares of R2 each.

	1966	1965
Sales output—short tons:		
Landau No. 3 Colliery ..	1,455,883	1,439,690
Navigation Colliery.....	614,229	620,273
	<u>2,070,112</u>	<u>2,059,963</u>
Profit before taxation.....	R861,000	R883,000
Taxation.....	R185,000	R210,000
Profit after taxation.....	R676,000	R673,000
Dividends:		
Amount paid.....	R450,000	R450,000
Per share.....	45c	45c
Quoted investments:		
Book cost.....	R42,000	R42,000
Market value.....	R223,000	R202,000
Unquoted investments:		
Trade and others.....	R1,036,000	R1,021,000

Springbok Colliery Limited

Year ended 31st December, 1966.

Issued capital: R2,400,000 in 4,800,000 stock units of 50 cents each.

Vryheid Coronation Limited

Year ended 31st December, 1966.

Issued capital: R4,816,000 in 9,632,000 shares of 50 cents each.

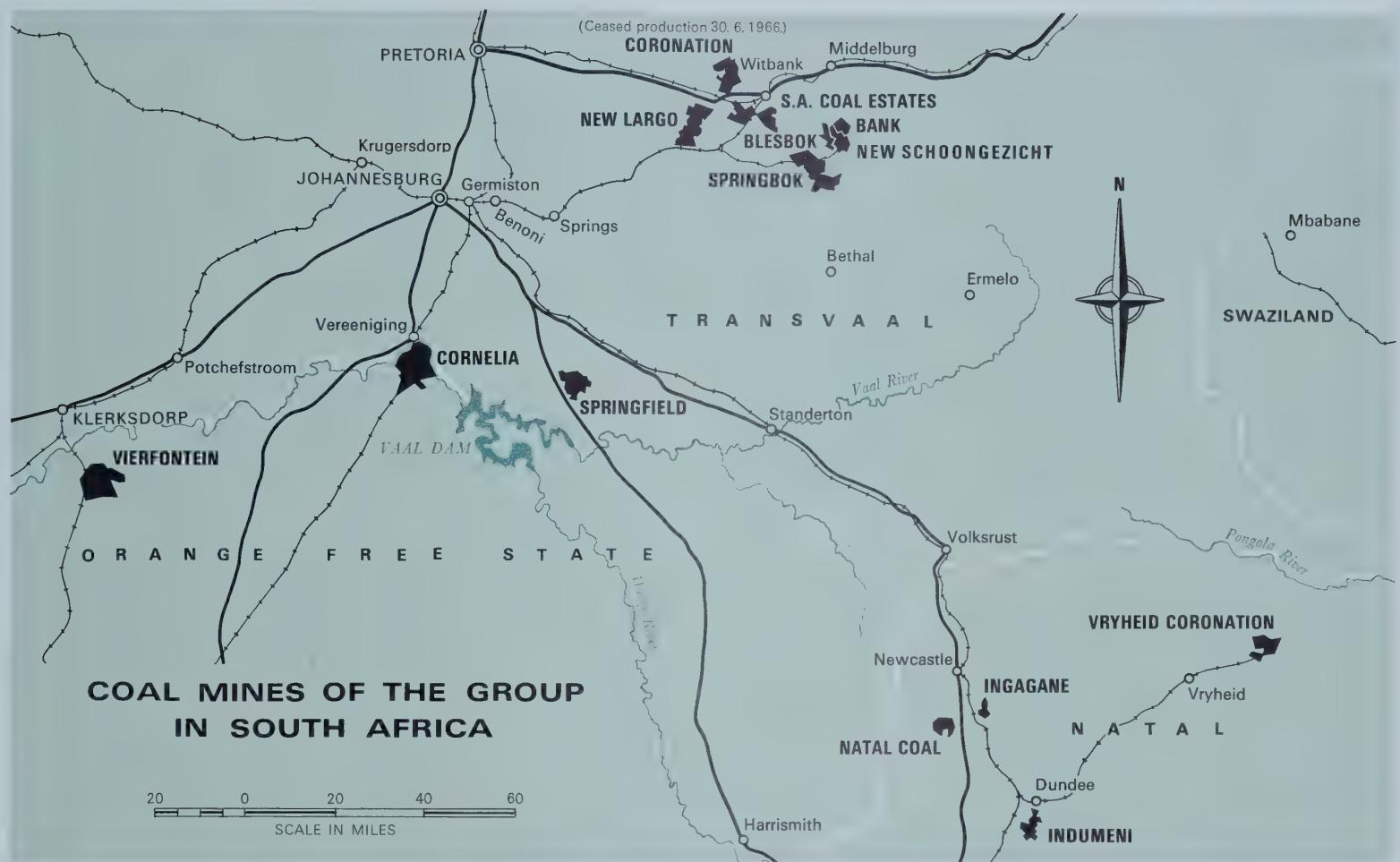
	1966	1965
Coke sales—short tons.....	568,873	627,620
Profit before taxation.....	R1,966,000	R2,034,000
Taxation.....	R185,000	R466,000
Profit after taxation.....	R1,781,000	R1,568,000
Dividends:		
Amount paid.....	R1,252,000	R1,252,000
Per share.....	13c	13c

Wankie Colliery Company Limited

Year ended 31st August, 1966.

Issued capital: £6,333,372 in 12,666,744 shares of 10s each.

	1966	1965
Sales output—short tons:		
Coal.....	3,369,870	3,348,455
Coke.....	221,513	191,142
Profit before taxation.....	£1,575,000	£1,644,000
Taxation.....	£412,000	£426,000
Profit after taxation.....	£1,163,000	£1,218,000
Dividends:		
Amount paid.....	£792,000	£660,000
Per share (net).....	£1s 3d	£1s 3d



	1966	1965
Quoted investments:		
Book cost.....	£1,855,000	£1,805,000
Market value.....	£1,859,000	£1,833,000

	1966	1965
Unquoted investments:		
Loans.....	£3,652,000	£3,367,000
Other.....	£665,000	£683,000

* All financial figures are expressed in Rhodesian currency.
† On increased capital.

Zuinguin Natal Collieries Limited

Year ended 30th June, 1966.

Issued capital: R350,000 in 700,000 shares of 50 cents each.

	1966	1965
Coal sales—short tons:*		
Bituminous coal.....	496,423	544,421
Coking coal.....	369,746	272,166
Consolidated profit before taxation.....	R590,000	R456,000
Taxation.....	R94,000	R35,000

	1966	1965
Consolidated profit after taxation.....	R496,000	R421,000
Dividends:		

Amount paid.....	R175,000	R120,000
Per share.....	25c	18c

* Sales by Indumeni Coal Mines Limited, the company's wholly owned subsidiary.

Administered by Stafford Mayer Company South Africa Limited

Natal Anthracite Colliery Limited

Year ended 30th June, 1966.

Issued capital: R1,284,140 in 2,568,280 stock units of 50 cents each.

	1966	1965
Coal sales—short tons.....	311,709	400,241

	1966	1965
Consolidated profit before taxation.....	R208,000	R566,000
Taxation.....	R46,000	R141,000
Consolidated profit after taxation.....	R162,000	R425,000
Dividends:		

Amount paid.....	R167,000	R334,000
Per stock unit.....	6½c	13c

The Newcastle-Platberg Colliery Limited

Year ended 30th June, 1966.

Issued capital: R950,000 in 1,900,000 shares of 50 cents each.

	1966	1965
Coal sales—short tons.....	415,956	425,441
Profit before taxation.....	R240,000	R158,000
Taxation.....	R58,000	R41,000
Profit after taxation.....	R182,000	R117,000
Dividends:		

Amount paid.....	R76,000	R57,000
Per share.....	4c	3c

Other mining interests

The Corporation has direct and/or indirect interests in various other mining companies in South Africa, Swaziland, Rhodesia, Zambia and Canada. Brief particulars of some of these companies are recorded under two headings: administered within the Anglo American Corporation Group; and administered outside the Anglo American Corporation Group.

Administered within the Anglo American Corporation Group

Iron Duke Mining Company Limited

Nature of business: The company mines pyrites in Rhodesia.

Year ended 30th June, 1966.

Issued capital: *£200,000 in 800,000 shares of 5s each.

	Year ended 30th June 1966	3 months ended 30th June 1965
Profit before taxation	£74,000	£18,000
Taxation	£23,000	£5,000
Profit after taxation	£51,000	£13,000
Dividends:		
Amount paid	£50,000	Nil
Per share	1s 3d	Nil

*All sums of money expressed in Rhodesian currency.

Swaziland Iron Ore Development Company Limited

Nature of business: The company operates an iron mine at Ngwenya in Swaziland, and has contracted to supply 14,500,000 long tons of lump ore and 1,000,000 long tons of fines to Japan, up to the end of 1974.

The Zambia Broken Hill Development Company Limited

Nature of business: Producer of lead and zinc. Year ended 31st December, 1966.

Issued capital: £3,250,000 in 13,000,000 shares of 5s each.

	1966	1965
Production (long tons):		
Lead	19,558	21,090
Zinc (98.5 per cent)	20,586	23,420
Zinc (99.95 per cent)	21,065	23,252
Sales (long tons):		
Lead	21,592	16,846
Zinc (98.5 per cent)	21,898	20,704
Zinc (99.95 per cent)	21,265	23,672
Profit before taxation	£399,000	£1,532,000
Taxation	Nil	£485,000
Profit after taxation	£399,000	£1,047,000
Dividends:		
Amount paid	Nil	£812,000
Per share	Nil	1s 3d

Administered outside the Anglo American Corporation Group

Hudson Bay Mining and Smelting Company Limited

Nature of business: The company operates several mines in the provinces of Manitoba and Saskatchewan in Canada. These mines produce complex ores from which the company recovers copper, zinc, gold, silver, cadmium, selenium and lead concentrates.

Year ended 31st December, 1966.

Issued capital stock: 2,820,473 shares of no par value.

	1966	1965	
Production:			Concentrates produced (short tons):
Slab zinc	146,662,521 lb.	142,870,455 lb.	Lead/vanadate..... 14,200 10,960
Metallic cadmium	352,405 lb.	368,208 lb.	Zinc/lead sulphide..... 10,980 28,900
Refined copper	76,536,435 lb.	79,452,527 lb.	Zinc silicate..... 18,050 11,150
Selenium	76,602 lb.	62,061 lb.	Tin/wolfram..... 683 635
Gold	71,202 oz.	82,189 oz.	
Silver	1,022,009 oz.	1,215,359 oz.	
Lead concentrates	1,103 tons	2,375 tons	
Gross revenue from metal sales	\$68,406,942	\$61,204,027	
Estimated taxes on income	\$6,489,000	\$5,768,000	
Net earnings after taxation	\$19,116,388	\$15,990,045	
Dividends:			
Amount paid	\$11,169,791	\$10,342,399	
Per share	\$4.05	\$3.75	
Interests in, and loans to, unconsolidated subsidiaries and other companies—shares and advances at written-down cost	\$10,687,875	\$3,262,600	
Investments in marketable securities at cost	\$20,816,981	\$18,851,904	

Note: All references to currency are in Canadian dollars.

The Associated Manganese Mines of South Africa Limited

Nature of business: The company owns mineral leases over manganese and iron ore-bearing ground in the Cape Province and a mining lease over portions of the properties Devon and Adams and the area known as 'Blackrock'. It also owns the entire issued capital of Feralloys Limited, which produces ferro-alloys for export.

Year ended 31st December, 1965

Issued capital: R1,629,000 in 3,193,385 ordinary shares of 50 cents each and 63,740 seven per cent cumulative preference shares of 50 cents each.

	1965	1964
Tonnages railed (short tons):		
Manganese ore	679,000	613,000
Iron ore	926,000	818,000
Consolidated profit before taxation	R3,387,000	R2,364,000
Taxation and lease consideration	R907,000	R400,000
Consolidated profit after taxation	R2,480,000	R1,964,000
Dividends:		
Preference	R2,000	R2,000
Ordinary:		
Amount paid	R958,000	R878,000
Per share	30c	27½c

The South West Africa Company Limited

Nature of business: The company mines lead, zinc, vanadium, tin and wolfram ores in South West Africa and owns 95,000 shares in Tsumeb Corporation Limited.

Year ended 30th June, 1966.

Issued capital: *£354,538 in 2,127,228 shares of 3s 4d each.

	1966	1965
Sales proceeds	£1,609,995	£2,131,823
Consolidated profit before taxation	£874,902	£1,470,656
Taxation	£249,781	£217,230
Consolidated profit after taxation	£625,121	£1,253,426
Dividends:		
Amount paid (net)	£312,437	£624,873
Per share	†5s	†10s

* All sums of money are expressed in British sterling.
† Less U.K. tax of 8s 3d in the £.

Tsumeb Corporation Limited

Nature of business: The company mines copper, lead and zinc in South West Africa, and in addition produces silver, cadmium and arsenic trioxide.

Year ended 30th June, 1966.

Issued capital: R2,000,000 in 4,000,000 shares of 50 cents each.

	1966	1965
Production:		
Copper (short tons).....	32,471	34,750
Lead (short tons).....	88,800	91,771
Zinc (short tons).....	11,015	12,164
Silver (oz.).....	1,516,539	1,540,851
Cadmium (lb.).....	369,812	237,435
Sales proceeds	R55,988,157	R51,456,426
Profit before taxation	R29,713,199	R27,681,871
Taxation	R9,005,139	R8,795,749
Profit after taxation	R20,708,060	R18,886,122
Dividends:		
Amount paid	R20,000,000	R15,000,000
Per share	R5.00	R3.75

Industrial interests

Administered within the Anglo American Corporation Group

Boart and Hard Metal Products S.A. Limited

Nature of business: The Boart and Hard Metal Products group, comprising over 80 subsidiary and associated companies established throughout the western world, is engaged in the manufacture and marketing of all types of diamond and tungsten carbide tipped drilling tools whilst certain of the companies undertake, on a contract basis, surface and underground drilling operations and the provision of civil and mining services. To rationalize its foreign interests, steps have been taken to establish two holding companies, namely, Boart International Luxembourg S.A.H., and Contractual Holdings Limited, the latter being situated in Zambia. These companies, in addition to their normal functions, will provide banking and loan facilities to the companies falling within their respective areas of operations.

Locally, the group has added to its principal activities the manufacture from South African materials of fluid transmission couplings under licence and coal cutting and loader chains. A concrete cutting and sawing division has been formed to meet the expected demand for such services arising from the major road programmes presently being undertaken throughout the country, and the parent company has accepted a participation in a company engaged in the development of electronic instruments for industrial purposes.

Eastern Forest Estates Limited

Nature of business: The company was formed in March, 1965, to acquire from The British South Africa Company certain forest estates, situated in the Umtali and Melsetter districts of Rhodesia. Trees planted consist of softwoods and gums. The company has more than 36,000 acres of land under trees.

Forest Industries and Veneers Limited

Nature of business: The company has a substantial shareholding in Plywoods Limited, and Peak Timbers Limited is its wholly owned subsidiary.

Year ended 30th June, 1966.

Issued capital: R6,274,509 in shares of R1 each.

Total share capital and reserves: R6,513,715.

Loans:

6½ per cent registered unsecured debenture stock..... R2,260,000
Unsecured loan (to subsidiary company)..... R1,000,000
Secured loans (from Anglo American Corporation of South Africa Limited)..... R570,000
R3,830,000

1966 1965

Book cost of unquoted investment..... R300,000 R300,000
Book cost of quoted investment..... R1,181,250 R1,181,250
Market value of quoted investment..... R2,067,188 R3,150,000
Consolidated profit (no taxation)..... R316,980 R117,629

The Corporation has interests, some direct and some through associated companies, including Anglo American Industrial Corporation Limited, in a number of industrial companies. Brief particulars of some of these companies are recorded under two headings: administered within the Anglo American Corporation Group; and administered outside the Anglo American Corporation Group.

Highveld Steel and Vanadium Corporation Limited

Nature of business: The corporation is proceeding with the establishment of an iron, steel and vanadium complex at Witbank in the Eastern Transvaal. The estimated capital expenditure on this project, including the purchase of its two subsidiary companies, Transvaal Vanadium (Proprietary) Limited and Ironstone Minerals (Proprietary) Limited, is R117,000,000.

The steelworks will comprise facilities for the assembly and preparation of iron ore and other raw materials, pre-reduction and electric smelting of ore, recovery of vanadium slag, oxygen steelmaking, continuous casting and a combination section and rail rolling mill equipped to produce both conventional and universal sections in the medium to heavy range. The plant is scheduled to commence operation during 1968 and will attain its rated capacity in 1970/71 when the estimated production will be about 23 million pounds of vanadium pentoxide in slag and 480,000 short tons of pig iron, the pig iron yielding 415,000 short tons of universal and other profiles and semi-finished steel products. The corporation has been able to arrange contracts for the sale of its entire planned output of vanadium pentoxide in slag in international markets through 1971, and this will constitute an important source of revenue to the overall project.

In May, 1962, the corporation acquired the entire issued capital of Ironstone Minerals (Proprietary) Limited, which owns land and mineral rights over farms in various districts of the Transvaal.

On 1st November, 1965, the corporation acquired the entire share capital of Transvaal Vanadium Company (Proprietary) Limited which operated a plant near Witbank with a rated annual capacity of 5.5 million pounds of vanadium pentoxide. On 26th August, 1966, the corporation acquired the movable vanadium processing plant and machinery from Transvaal Vanadium Company and entered into a lease agreement with that company for the property on which the works are situated. Plant extensions are in hand to raise the production of vanadium pentoxide at the plant to six million pounds per annum.

The corporation and its wholly owned subsidiary companies hold proved ore reserves of titaniferous magnetites to open-cast working levels in excess of 120 million short tons.

Hippo Valley Estates Limited

Nature of business: The company's main interest is in the production of sugar and related products in Rhodesia. It also carries on citrus-farming operations.

Year ended 31st March, 1966.

Issued capital: *£2,750,000 in 11,000,000 shares of 5s each.

Total share capital and reserves: £3,864,939.

	1966	1965
Cane milled (short tons).....	735,669	386,345
Raw sugar produced (short tons).....	73,209	37,082
Average price received (per short ton F.O.R. estate).....	£26.17s	£37.12s
Consolidated loss before taxation (1965: profit).....	£372,345	£419,519
Taxation.....	Nil	Nil
Consolidated loss after taxation (1965: profit).....	£372,345	£419,519
Dividends:		
Amount paid.....	Nil	£275,000

1966 1965

Per share Nil 6d

* All sums of money are expressed in Rhodesian currency.

Industrias de Caju Mocita Limitada

Nature of business: This company was formed in 1965 in association with Tiger Oats and National Milling Company Limited and the Italian firm, Oltremare S.p.A., to process cashew nuts in Mozambique, using fully mechanized equipment developed by Oltremare. A large factory capable of processing 12,000 tons of raw nuts annually has been established at João Belo in Mozambique. Production commenced in July, 1966, and the company's products are being sold on world markets.

Mazoe Citrus Estates Limited

Nature of business: In March, 1965, the company was formed to acquire, from The British South Africa Company, the Mazoe Citrus Estates, situated near Salisbury, Rhodesia. Most of the estate's citrus production is processed at the company's factory and sold in the form of juices and oils. There are more than 273,000 trees on the estate.

Mozambique Fisheries Limited

Nature of business: The company owns the entire issued share capital of Industrias de Peixe Nossa Senhora de Fátima Limitada—INOS, which has certain fish-processing and trawling rights on the Mozambique coast. The large cannery and freezing factory at Porto Amélia in Northern Mozambique was able, throughout the year, to meet the demands placed upon it, but the smaller factory at Inhassoro has remained on a care-and-maintenance basis. A cold store and freezing facility in Lourenço Marques was completed and brought into use in March, 1967.

The company has five trawlers engaged in fishing for lobster out of Lourenço Marques. The shrimp trawling operations off the north coast of Mozambique continued to be largely of a research nature throughout 1966.

Stone and Allied Industries (O.F.S.) Limited

Nature of business: The company produces crushed stone and sand at its plants in Welkom and Carletonville. It is a wholly owned subsidiary of Orange Free State Land and Estate Company (Proprietary) Limited.

Transalloys (Proprietary) Limited

Nature of business: The company produces ferro-chrome at a plant in Witbank, Transvaal.

Transvaal Vanadium Company (Proprietary) Limited

Nature of business: The company mines titaniferous magnetite ores. It is a wholly owned subsidiary of Highveld Steel and Vanadium Corporation Limited.

Vereeniging Refractories Limited *

Nature of business: Manufacturers of refractory products, also salt-glazed earthenware pipes and fittings,

Industrial interests

building bricks, Stalton pre-stressed beams and lintels and, through a subsidiary (Vereeëniging Tiles Limited), concrete roofing tiles.

Year ended 31st December, 1966.

Issued capital: R3,500,000 in 5,000,000 ordinary shares of 50 cents each and 500,000 5½ per cent cumulative non-redeemable preference shares of R2 each.

Total share capital and reserves (consolidated): R10,423,000.

1966 1965

Group profit before taxation R2,907,000 R2,731,000

Taxation..... R817,000 R790,000

Group profit after taxation and deduction of minority shareholders' interest..... R1,987,000 R1,851,000

Dividends:
Preference..... R55,000 R55,000

Ordinary:
Amount paid..... R950,000 R875,000

Per share..... 19c 17½c

* At an extraordinary general meeting of members held on 23rd January, 1967, the name of the company was changed from Vereëniging Brick and Tile Company Limited to the present style, with effect from 10th February, 1967.

Zinc Products Limited

Nature of business: Producers of zinc dust and zinc oxide.

Administered outside the Anglo American Corporation Group

African Explosives and Chemical Industries Limited

Nature of business: The company and its subsidiaries manufacture a wide range of products, including explosives, fertilizers, industrial chemicals, plastics and paints.

Year ended 31st December, 1966.

Issued capital: *R85,293,005 in 3,000,000 5½ per cent cumulative preference shares of R2 each, 78,777,700 ordinary shares of R1 each fully paid, and 1,472,300 ordinary shares of R1 each, 35 cents paid.

Total share capital and reserves (consolidated): R121,526,000.

Loan capital: R24,262,000.

1966 1965

Trade investments—at cost. R2,834,000 R2,065,000

Consolidated profit before taxation..... R16,765,000 R15,951,000

Taxation..... R5,738,000 R5,063,000

Consolidated profit after taxation and deduction of outside shareholders' interest..... R10,858,000 R10,691,000

Dividends:
Preference..... R330,000 R330,000

Ordinary..... †R9,626,000 †R8,125,000

* In July, 1966, the existing authorized capital was increased to R96,000,000, divided into 3,000,000 5½ per cent cumulative preference shares of R2 each, and 45,000,000 ordinary shares of R2 each, and thereupon each of the resulting 45,000,000 ordinary shares was subdivided into two ordinary shares of R1 each. The company

then issued 15,250,000 ordinary shares of R1 each, of which 13,777,700 were allotted fully paid and the remaining 1,472,300 shares are 35 cents paid.

† 25 cents per share on 32,500,000 ordinary shares of R2.

‡ 12.5 cents per share on 65,000,000 fully paid ordinary shares of R1 issued prior to 4th August, 1966.

10.5 cents per share on 13,777,700 fully paid ordinary shares of R1 issued on 4th August, 1966.

3.675 cents per share on 1,472,300 partly paid ordinary shares of R1 issued on 4th August, 1966.

tiles to the trade, and in J. L. Clark Cotton Company (Proprietary) Limited, which operates five cotton ginneries in South Africa.

Hulett's Sugar Corporation Limited

Nature of business: Major producer of sugar, with interests in timber growing and paper production.

Year ended 30th April, 1966.

Issued capital: R22,500,000 in 17,000,000 ordinary shares of R1 each and 5,500,000 6½ per cent redeemable cumulative preference shares of R1 each.

Loan capital: R16,734,179.

Total share capital and reserves (consolidated): R40,499,350.

1966 1965

Consolidated profit before taxation..... R981,745 R9,214,489

Taxation..... R417,278 R2,363,560

Consolidated profit after taxation, deduction of interest of outside shareholders, and adjustment in respect of acquisition and disposal of control of subsidiaries..... R188,531 R6,430,153

Dividends:
Preference..... R357,500 R357,500

Ordinary:
Amount paid..... Nil R3,400,000

Per share..... Nil 20c

Industex Limited

Nature of business: The company operates a cotton spinning plant in Port Elizabeth and manufactures rayon and nylon tyre fabric and other types of fabrics used in the rubber industry, as well as other industrial fabrics such as filter fabric. Union Cotton Mills (Proprietary) Limited of Uitenhage, which operates a yarn dyeing and weaving plant, is a wholly owned subsidiary and manufactures all types of towels and towelling products.

LTA Limited

Nature of business: The LTA group is engaged in a wide field of activity, particularly in the building and civil engineering industries. Through LTA Engineering Company Limited, LTA Limited has a 50 per cent interest in Shaft Sinkers (Proprietary) Limited, a company which carries out the group's shaft sinking and tunnelling operations in South Africa, and through subsidiaries has recently expanded its field of operations to the American continent and Canada.

Year ended 30th June, 1966.

Issued capital: *R4,500,000 in ordinary shares of R1 each.

Total share capital and reserves (consolidated): R7,656,931.

1966 1965

Consolidated profit before taxation..... R2,670,841 R1,118,766

Taxation..... R1,038,063 R358,872

Consolidated profit after taxation and deduction of minority shareholders' interest..... R1,547,581 R702,512

Dividends:
Ordinary (No. 2):

Amount paid..... R742,500 R607,500

J. L. Clark and Company Limited

Nature of business: The company's interests are in engineering, cotton and textiles. Through a number of subsidiaries and associated companies it manufactures and supplies a wide range of air-conditioning and heating equipment. The substantial textile interests of the company are in J. L. Clark Textiles (Proprietary) Limited, an agency distributing tex-

	1966	1965
Per share	16½c	13½c
Preference†	R603	R5,500

* On 1st July, 1966, Anglo American Corporation of South Africa Limited exercised an option to acquire 500,000 new ordinary shares of R1 each and the issued capital was accordingly increased from R4,500,000 to R5,000,000 on that date. The new shares did not qualify for the dividend declared by the company in respect of the year ended 30th June, 1966.

† In terms of an order of court granted on 20th July, 1965, the 50,000 5½ per cent cumulative preference shares in issue were cancelled and amounts due to shareholders were repaid in cash.

McCarthy-Main Holdings Limited

The shares of this company are held in equal proportions by McCarthy Rodway Limited and the Anglo American Corporation Group.

The company holds 39.46 per cent of the ordinary share capital of Atkinson-Oates Motors Limited and 50.18 per cent of the ordinary share capital of Airco Engineering Limited. In addition, the company holds 90.05 per cent of the ordinary share capital and 92.06 per cent of the preference share capital of Illings (Proprietary) Limited.

Northern Breweries Limited

Nature of business: The company produces and markets malt beer in Zambia.

Plywoods Limited

Nature of business: Manufacturers of all types of plywood, timber core products, flush doors, and particle board.

Year ended 30th June, 1966.

Issued capital: R3,337,500 in 200,000 5½ per cent cumulative preference shares of R2 each and 5,875,000 ordinary shares of 50 cents each.

Total share capital and reserves (consolidated): R5,454,005.

Loan capital: Seven per cent secured debentures, R600,000, redeemable after 30th June, 1973.

	1966	1965
Consolidated profit before taxation	R849,061	R1,340,861
Taxation	R177,649	R221,063
Consolidated profit after taxation	R671,412	R1,119,798
Dividends:		
Preference	R22,000	R22,000
Ordinary:		
Amount paid	R352,500	R528,750
Per share	6c	9c

Rheem South Africa (Pty) Limited

Initially, the new company will manufacture steel containers under licence from the American parent company and will operate factories in Durban and in Alberton, Transvaal.

The company was formed by a consortium of three partners. The controlling interest is held by Rheem International Inc.

Ropes and Mattings Limited

Nature of business: The company manufactures natural and synthetic fibre ropes, twines, matting,

grainbags, carpet and industrial yarns, carpet backing cloth and hessian, a wide variety of nylon and polyethylene products and paper yarns, woven paper materials and paper woolpacks.

Year ended 28th February, 1966.

Issued capital: R4,128,000 in shares of R1 each.

Total share capital and reserves (consolidated): R9,410,353.

	1966	1965
Consolidated profit before taxation	R2,122,541	R1,984,037
Taxation	R607,941	R631,162
Consolidated profit after taxation	R1,514,600	R1,352,875
Dividends:		
Amount paid	R825,600	R825,600
Per share	20c	20c

Scaw Metals Limited

Nature of business: The company, which is a wholly owned subsidiary of Anglo American Industrial Corporation Limited, operates in three major fields, namely:

(a) grinding media for mining and cement industries; (b) rolled steel products in the merchant bar range; and

(c) ferrous and non-ferrous castings.

The cast ferrous products include railroad components such as freight-car wheels and bogie castings.

The company has a number of subsidiary companies and has investments in Highveld Steel and Vanadium Corporation Limited, Ferrous Scrap Distributors (Proprietary) Limited, R.M.B. Alloys (Proprietary) Limited and The Raine Engineering Company Limited.

South African Board Mills Limited

Nature of business: The company produces paperboard at its factories at Umgeni, Springs and Bellville. A sugar mill is operated at Melville in Natal. It has a substantial interest in Balatum S.A. (Proprietary) Limited.

Year ended 30th April, 1966.

Issued capital: R4,977,500 in 9,075,000 ordinary shares of 50 cents each, 200,000 six per cent cumulative preference shares of R2 each and 20,000 6½ per cent redeemable cumulative preference shares of R2 each.

Total share capital and reserves (consolidated): R9,917,768.

	1966	1965
Consolidated profit before taxation	R1,346,535	R1,670,347
Taxation	R216,350	R462,150
Consolidated profit after taxation	R1,130,185	R1,208,197
Dividends:		
Preference	R27,250	R28,550
Ordinary:		
Amount paid	R635,250	R635,250
Per share	7c	7c

Stewarts and Lloyds of South Africa Limited

Nature of business: Producers of steel, copper and plastic tubes, iron castings and irrigation equipment. Designers and engineers of spray irrigation and pumping schemes.

Period: 52 weeks ended 1st October, 1966.

Issued capital: R7,326,018 in 300,000 six per cent first cumulative preference shares of R2 each and 13,452,036 ordinary shares of 50 cents each.

Loan capital: R2,000,000 7½ per cent unsecured loan stock 1975/84.

Total share capital and reserves (consolidated): R28,156,340.

	52 weeks to 1st October 1966	52 weeks to 2nd October 1965
Book cost of quoted investments	R347,844	R342,244
Market value of quoted investments	R1,391,049	R1,658,978
Consolidated profit before taxation	R2,746,703	R4,915,204
Taxation	R815,992	R1,461,621
Consolidated profit after taxation and deduction of interest of minority shareholder	R1,924,964	R3,440,807
Dividends:		
Preference	R36,000	R36,000
Ordinary:		
Amount paid	R908,012	R908,012
Per share	6½c	6½c

The Rhodesian Milling Company (Private) Limited

Nature of business: The company conducts a large flour and maize milling business and produces stock-feed in Rhodesia.

The South African Breweries Limited

Nature of business: The company operates as brewers, hotel owners, and wine and spirit producers and distributors.

In August, 1966, South African Breweries entered into a share exchange with Thos. Barlow & Sons Limited to enable both companies to diversify into a broad field of different activities. A new company, Barsab Investment Trust (Proprietary) Limited, has been formed for this purpose.

Year ended 31st March, 1966.

Issued capital: R24,492,288 in 11,219,631 ordinary shares of R2 each, R2,000,000 six per cent cumulative preference stock and R53,026 5½ per cent cumulative second preference stock.

Total share capital and reserves: R51,724,000.

	1966	1965
Long-term liabilities:		
Registered unsecured notes		R8,000,000
Convertible debenture stock		R6,000,000
Other debentures and loans		R5,978,000
		R19,978,000
Trading surplus	R12,616,000	R11,234,000
Taxation	R3,496,000	R3,540,000
Consolidated profit after taxation	R7,724,000	R6,860,000
Dividends:		
Preference	R125,170	R130,220
Ordinary:		
Amount paid	R3,926,872	R3,926,872
Per share	35c	35c

Industrial interests

The Southern Cross Steel Company (Proprietary) Limited

Nature of business: The company was incorporated in December, 1964, and was formed by Rand Mines Limited in association with The Eastern Stainless Steel Corporation of the United States to produce stainless steel ingots, sheets and plates in South Africa. A plant has been erected at Middelburg, Transvaal, and the first ingot of stainless steel was poured in October, 1966, and hot rolled to plate on 17th December, 1966. The capacity of the plant is expected to rise to some 25,000 tons of stainless steel products annually by 1970-1971.

The Union Steel Corporation (of South Africa) Limited

Nature of business: The company owns steel works at Vereeniging and produces rolled, drawn and cast steel products as well as copper and aluminium conductors.

Year ended 31st December, 1966.

Issued capital: R15,005,000 in 29,010,000 ordinary shares of 50 cents each, 125,000 preferent 'A' shares of R2 each and 125,000 preferent 'B' shares of R2 each.

Total share capital and reserves: R20,706,344.

	1966	1965
Consolidated profit before taxation.....	R1,470,904	R2,424,167
Taxation.....	R326,209	R296,812
Consolidated profit after taxation.....	R1,144,695	R2,127,355
Dividends:		
Amount paid.....	R692,725	R1,087,875
Per share:		
'A' and 'B' preferent....	16c	16c
Ordinary.....	2.25c	3.75c

Thompson Ramco S.A. (Proprietary) Limited

Nature of business: This company, which was incorporated in November, 1964, was formed by TRW Inc., of Cleveland, Ohio (55 per cent interest), and Anglo American Industrial Corporation Limited (45 per cent interest).

The company will manufacture, under licence from the American company and overseas affiliates, valves, piston rings, pistons, steering linkage and gears and other motor vehicle components.

A factory building has been constructed at Uitenhage and plant has been installed. The company commenced production trials at its Uitenhage factory in July, 1966. Commercial production of certain products has already started.

Tiger Oats and National Milling Company Limited

Nature of business: Producers of breakfast foods, maize, wheat, oats and barley products, peanut butter and other groundnut products, edible oil and by-products thereof, balanced feeds and instant Bantu beer powder.

The company operates throughout South Africa through a number of wholly owned subsidiaries. It also has a wholly owned subsidiary in Holland and a subsidiary in the United Kingdom.

Year ended 30th June, 1966.

Issued capital: R8,381,000 in 7,630,506 ordinary

shares of R1 each, and 375,000 5½ per cent cumulative preference shares of R2 each.

Total share capital and reserves (consolidated):
R15,655,000.

	1966	1965
Consolidated profit before taxation.....	R3,364,000	R3,034,000
Taxation.....	R938,000	R931,000
Consolidated profit after taxation and deduction of minority interest in trading profits of subsidiaries.....	R2,367,000	R2,068,000
Transfers to reserves.....	R1,025,000	R525,000
Dividends:		
Preference.....	R41,000	R41,000
Ordinary:		
Amount paid.....	R1,221,000	R1,145,000
Per share.....	16c	15c

MM. les actionnaires sont informés qu'ils peuvent se procurer un exemplaire abrégé de ce rapport, rédigé en langue française, en communiquant avec Anglo American Corporation of South Africa Limited, 40, Holborn Viaduct, London. E.C. 1, ou aux adresses suivantes.

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ZURICH, SUISSE

Members of the Corporation who wish to receive copies of the annual reports and accounts of quoted companies associated with the Corporation may obtain them upon application to the Secretary or to the London Secretary of the Corporation.
Changes of address should be notified to the Corporation's transfer secretaries:

CONSOLIDATED SHARE REGISTRARS LIMITED,
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